



## **EXECUTIVE COMMITTEE MEETING NOTICE/AGENDA**

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**DATE:** February 12, 2013

**TIME:** 1:30 p.m. – 4 p.m.

**LOCATION:** State Council on Developmental Disabilities  
1507 21<sup>st</sup> Street, Suite 210  
Sacramento, CA 95811  
(916) 322-8481

### **TELECONFERENCE SITES:**

Palos Verdes Art Center  
550 Deep Valley Drive, Suite 261  
Rolling Hills Estates, CA 90274

*Pursuant to Government code Sections 11123.1 and 11125(f), individuals with disabilities who require accessible alternative formats of the agenda and related meeting materials and/or auxiliary aids/services to participate in this meeting should contact Robin Maitino at (916) 322-8481 or email [robin.maitino@scdd.ca.gov](mailto:robin.maitino@scdd.ca.gov). Requests must be received by 5:00 pm **February 8, 2012**.*

## **AGENDA**

		<b><u>Page</u></b>
<b>1. CALL TO ORDER</b>	J. Allen	
<b>2. ESTABLISHMENT OF QUORUM</b>	J. Allen	
<b>3. WELCOME/INTRODUCTIONS</b>	J. Allen	
<b>4. APPROVAL OF DECEMBER 2012 MINUTES</b>	J. Allen	<b>3</b>
<b>5. PUBLIC COMMENTS</b>		
This item is for members of the public only to provide an opportunity to comments and/or present Information to the Council on matters <b>not</b> on the agenda. Each person will be afforded up to three minutes to speak. Written requests, if any, will be considered first. The Council will provide a public comment period, not to exceed a total of seven minutes, for public comment prior to action on each agenda item.		

- |            |   |            |               |
|------------|---|------------|---------------|
| <b>6.</b>  | <b>CLOSED SESSION – PERSONNEL</b><br>Pursuant to Government Code 11126 (a)(1) the committee will have a closed session to consider the appointment, employment, evaluation of performance of a public employee. | J. Allen   |               |
| <b>7.</b>  | <b>RECONVENE IN OPEN SESSION</b><br>Announcement of any action taken during closed session.   | J. Allen   |               |
| <b>8.</b>  | <b>FOLLOW-UP ON COUNCIL ACTIONS</b><br><br>a. Personnel Action<br>b. Appointment of Interim Executive Director<br>c. Referral of Audit and Investigatory Materials to Attorney General                          | J. Allen   |               |
| <b>9.</b>  | <b>APPROVAL OF PROGRAM PERFORMANCE REPORT (PPR)</b>   | M. Polit   |               |
| <b>10.</b> | <b>REGIONAL CENTER CONFLICT OF INTEREST WAIVER REQUESTS</b><br><br>a. Input on Proposed Regulation<br>b. Golden Gate Regional Center Request<br>c. Inland Regional Center Request                               | M. Corral  | 7<br>43<br>55 |
| <b>11.</b> | <b>AD-HOC SEARCH COMMITTEE UPDATE</b>   | J. Aguilar | 69            |
| <b>12.</b> | <b>ADMINISTRATIVE COMMITTEE UPDATE</b>  | M. Kennedy | 73            |
| <b>13.</b> | <b>BYLAW REVIEW</b>   | J. Allen   | 78            |
| <b>14.</b> | <b>SPONSORSHIP REQUEST UCLA/ORTHOPEDIC HOSPITAL CENTER FOR CEREBRAL PALSY</b>   | R. Newton  | 97            |
| <b>15.</b> | <b>ESTABLISH MARCH COUNCIL AGENDA</b>   | All        |               |
| <b>16.</b> | <b>ADJOURNMENT</b>  | J. Allen   |               |

Draft  
Executive Committee Meeting Minutes  
December 11, 2012

**Attending Members**

Jennifer Allen  
Jorge Aguilar  
Leroy Shipp  
Olivia Raynor  
Ray Ceragioli

**Members Absent**

**Others Attending**

Melissa Corral  
Kara Read-Spangler  
Robin Maitino  
Roberta Newton  
Mark Polit

1. **Call to Order**

Leroy Shipp called the meeting to order at 10:05 a.m. and established a quorum present.

2. **Welcome and Introductions**

Members and others introduced themselves.

3. **Approval of October 18, 2012 Minutes**

It was moved/seconded (Allen/Ceragioli) and carried to approve the October 18, 2012, Executive Committee meeting minutes as presented.

4. **Public Comments**

There were no public comments.

5. **Issues to Follow-up from Council Meeting**

*Bylaw Review*

The following changes were discussed:

1. On page 3 in the table of contents, the Administrative Committee is added.
2. On page 11, the number of committees is increased to six and the Administrative Committee is added.

3. On page 11, the last sentence under section (e)(1)(a) is deleted. By eliminating this sentence, agency representatives of the Council may be appointed to the Executive Committee. (NOTE: the Executive Committee is still restricted membership to ONLY council members. The elimination of this sentence opens the membership to agency representatives whereas before, only self-advocates and family members were allowed on the Executive Committee.)
4. On page 13, begins the additional language regarding the Administrative Committee. This language is identical to the language that was removed in November 2010.
5. On page 14, section (g), the last sentence was changed to add Administrative Committee oversight of changes made to organizational charts.

It was moved/seconded (Aguilar/Ceragioli) and carried to recommend approval of the amended Bylaws to the full Council at the January meeting.

#### *Administrative Committee*

Leroy Shipp (outgoing Chair) and Jorge Aguilar (incoming Chair) will select/appointment members to the newly reestablished Administrative committee post haste and schedule the first meeting to take place after the January 16, 2013, Council meeting.

#### *Ad-Hoc Search Committee*

Leroy Shipp (outgoing Chair) and Jorge Aguilar (incoming Chair) will select/appointment members to this ad-hoc committee post haste and schedule the first meeting to take place in January 2013.

#### *Program Development Committee*

At the December 4<sup>th</sup> Council meeting Roberta Newton presented the idea to have consumers involved in the creation/writing process of the new Self-Advocacy RFP. Following the Council meeting Jorge Aguilar appointed Austin Taylor, Trena Wade, and Jennifer Allen to the PDC Committee.

### *Conflict of Interest*

The Committee discussed the confusion brought about at the December 4, 2012 Council meeting surrounding the need to obtain an outside legal opinion on this issue.

Following extensive discussion, Melissa Corral agreed to analyze and re-agendize for the January 2013 Council meeting.

## 6. **Finding of Necessity**

It was moved/seconded (Aguilar/Raynor) and found that necessity existed for Closed Session pursuant to Government Code 11126(a)(1).

## 7. **Actions Taken in Closed Session**

Following the closed session, two action items were reported out.

### *Motion 1*

It was moved/seconded (Aguilar/Allen) and carried to provide Council members with the previous executive director's evaluation material as well as SCDD contract material at the January 16, 2013 Council meeting. This material will be distributed under Closed Session.

### *Motion 2*

It was moved/seconded (Ceragioli/Aguilar) and carried to allow legal counsel present during the January 16, 2013, Closed Session at the Council meeting.

## 8. **Sponsorship Request – Family Voices of California**

Family Voices of California (FVCA) is requesting a sponsorship of \$999.00 for the 2013 Family Voices Health Summit and Legislative Day, held on February 25-26, 2013 in Sacramento.

This annual event provides the opportunity for families of children and youth with special health care needs to hear from State Administration representative, legislators, staff, and advocates about critical health policy issues that affect their children and communities. Participants then visit their local legislative leadership to discuss their child's special health care

Following Committee member discussion, this item will be placed on the January 16, 2013n Council Agenda for consideration.

10. **January 2012 Council Agenda**

The January Council agenda will include the following:

- SB 946 Presentation
- Closed Session – Personnel
- Review of Bylaws
- Conflict of Interest
- Committee Reports
- Sponsorship Request – Crimson Treatment and Research Center

11. **Adjournment**

The meeting was adjourned at 1:15 p.m.

## EXECUTIVE COMMITTEE AGENDA ITEM DETAIL SHEET

**ISSUE:** Input on Conflict of Interest Regulations

**BACKGROUND:** The Department of Developmental Services (DDS) proposed emergency regulations regarding regional center conflict of interest (COI) standards and procedures. The regulations significantly change the involvement of the Council and local area boards by requiring both the Council and appropriate local area board to approve a waiver of conflict of interest for regional center board members, but also for regional center executive directors.

Although the emergency regulations have been adopted, DDS is currently requesting input through February 28, 2013 on these specific regulations.

**ANALYSIS/DISCUSSION:** On October 17, 2012, the Legislative and Public Policy Committee took action to recommend to the Council that: "the Council provide input on the regulations so that the statutory and regulatory language that requires local area boards and the Council to approve the conflict of interest waivers is removed ..."

During the December Council meeting, the Council reviewed the detail sheet and requested additional clarification regarding several issues to be brought back to the January Council meeting; however, due to time constraints, this issue was diverted to the Executive Committee where it stands today.

**COUNCIL STRATEGIC PLAN OBJECTIVE:** 14a - The Council will take a position on proposed state and federal legislation and proposed regulations that impact people with developmental disabilities, will communicate those positions to legislators and their staff, and will disseminate this information to all interested parties. (Cite the SCDD Strategic Plan Objective that relates to this issue)

**RECOMMENDATION(S):** The Executive Committee should review the regulations and staff analysis to decide whether or not to provide timely input.

**ATTACHMENTS(S):** DDS regulations, COI Reporting Statement, DDS Statement of Reasons, Staff Analysis.

**PREPARED:** Melissa C. Corral, January 25, 2013

**BARCLAYS OFFICIAL CALIFORNIA CODE OF REGULATIONS**  
**TITLE 17. PUBLIC HEALTH**  
**DIVISION 2. HEALTH AND WELFARE AGENCY -DEPARTMENT OF**  
**DEVELOPMENTAL SERVICES**  
**REGULATIONS**  
**CHAPTER 3. COMMUNITY SERVICES**  
**SUBCHAPTER 3. REGIONAL CENTER ADMINISTRATIVE PRACTICES AND**  
**PROCEDURES**  
**ARTICLE 1. REGIONAL CENTER CONFLICT OF INTEREST STANDARDS**  
**AND PROCEDURES**

**§ 54500. Authority and Scope.**

These regulations prescribe conflict of interest standards and procedures for all members of the regional center governing boards, and employees, and those acting on the regional center's behalf of the regional center to ensure that such persons make decisions relative to the regional center which are in the best interests of the center's consumers ~~eliente~~ and families pursuant to authority provided in ~~S~~section 4627 of the Welfare and Institutions Code. ~~Members serving on the governing board of a regional center on January 1, 1982 are subject to these regulations to the extent not prohibited by Welfare and Institutions Code, Section 4626.~~

Note: Authority cited: Sections 4626 and 4627, Welfare and Institutions Code.  
Reference: Sections 4626, 4626.5 and 4627, Welfare and Institutions Code.

**§ 54505. Definitions.**

As used in Article 1 of this subchapter, the following words and phrases have the specified meanings:

(a) "Area Board" means the organization of individuals established and constituted according to Welfare and Institutions Code, Section 454670 et seq.

~~(b) "Board Member" or "Member of the Governing Board" means an individual serving on a governing board of a regional center.~~

~~(b)(e)~~ "Business Entity, Entity or Provider" means any individual or business venture from whom or from which the regional center purchases, obtains, or secures goods or services to conduct its operations. These entities or providers include, but are not limited to, residential facilities, intermediate care facilities, skilled nursing facilities, supported and independent living, hospitals, medical groups, activity centers, independent living facilities, housing providers, entities formed in support of the regional center, infant programs, clinics, laboratories, pharmacies, drug stores, ambulance services, furniture stores, equipment and



supply stores, physicians, psychologists, nurses, therapists, teachers, social workers, and contract case managers. For purposes of these conflict of interest regulations "business entity, entity or provider" does not include a consumer or family member of a consumer who receives vouchers for consumer services.

~~(c)(d)~~ "Client" means the individual described in Section 56551(e), Chapter 3, Subchapter 4, Article 1, Title 17, California Administrative Code "Consumer" means an individual who has been determined by a regional center to meet the eligibility criteria of the Welfare and Institutions Code Section 4512, and of Title 17, California Code of Regulations, Sections 54000, 54001 and 54010, or Government Code Section 95014, and Title 17, California Code of Regulations 52020 and 52022, and for whom the regional center has accepted responsibility.

~~(d)(e)~~ "Decision or Policy-Making Authority" means the authority an individual possesses whenever the individual:

- (1) ~~makes a final decision~~ exercises discretion or judgment, without significant intervening substantive review, in making, advising or recommending, a decision or in making a final decision; or
- (2) may compel a decision or may prevent a decision either by reason of an exclusive power to initiate the decision or by reason of a veto which may or may not be overridden; or
- (3) makes substantive recommendations which are, and over an extended period of time have been, regularly approved without significant amendment or modification by another person or entity or provider; or
- (4) votes on matters, ~~appoints or hires people,~~ obligates or commits his or her ~~agency~~ entity to any course of action, or enters into, modifies, amends, or renews, any contractual agreement on behalf of his or her ~~agency~~ entity, or has authority to obligate resources; or-
- (5) votes to approve, appoint or ratify, or the individual approves, appoints, ratifies, assigns, elects, selects, designates, names, creates, confirms, contracts or hires, any director, trustee, member of the board, member of a board committee, officer, agent, employee, contractor, or consultant, for his or her entity or any other business entity or provider.

Decision or policy-making ~~This~~ authority does not include actions of the individuals which are solely ministerial, secretarial, or clerical.

~~(e)(f)~~ "Department" means the Department of Developmental Services.

(f) "Family Member" includes the individual's spouse, domestic partner, parents, stepparents, grandparents, siblings, step-siblings, children, stepchildren, grandchildren, and in-laws.

(g) "Governing Board" means the board of directors of a private nonprofit corporation which contracts with the State for the purpose of establishing and operating a regional center and which is constituted in accordance with Section 4622 of the Welfare and Institutions Code. "Member of the Board" or "Member" means an individual serving as a member of the governing board, board of directors or board committee of a business entity, entity, or provider as defined herein.

(h) "Potential Conflict of Interest" means a situation which, based upon circumstances reasonably expected to occur at a point in the future, may result in a conflict of interest, as specified in ~~Sections 54520 or 54521 of these regulations, at that time.~~

(i) "Present Conflict of Interest" means a conflict of interest, as specified in ~~Sections 54520 or 54521 of these regulations, which currently exists.~~

~~(j) "Prospective Client" means any person who has presented himself or herself, at the regional center, as requiring services for the developmentally disabled but who has not yet gone through the initial intake and assessment process.~~

(j)(k) "Regional Center" means a diagnostic, counseling, and service coordination center for persons with developmental disabilities and their families which is established and operated pursuant to Chapter 5 of Division 4.5 of the Welfare and Institutions Code and Title 14 of the Government Code, by a private nonprofit corporation acting as a contracting agency.

(k)(l) "Regional Center Employee" means any person who performs services for wages, salary or a fee under a contract of employment, express or implied, with the regional center. For purposes of these regulations, a business entity, entity or provider as defined in Section 54505(e) herein, is not a regional center employee.

(l) "Regional Center Governing Board" means the board of directors of a private nonprofit corporation which contracts with the State for the purpose of establishing and operating a regional center and which is constituted in accordance with section 4622 of the Welfare and Institutions Code.

(m) "Regional Center Operations" means those activities or services which regional centers are required by law, regulation, or contract with the State to provide, obtain, or purchase. Such activities include, but are not limited to, case finding, outreach, prevention, intake and assessment, individual program planning, case management, community programs, program development, and consumer client advocacy and protection.

(n) "State Council" means the organization of individuals established and constituted pursuant to Welfare and Institutions Code, Section 4520 et seq.

Note: Authority cited: Sections ~~4626 and 4627~~, Welfare and Institutions Code. Reference: Sections ~~4512, 4520, 4525, 4543, 4546, et seq., 4570 et seq., 4620, 4621, 4622, 4626, 4626.5, and 4627, 4641, 4642, 4643, 4644, 4646, 4647 and 4648~~, Welfare and Institutions Code.

**§ 54520. Conflict of Interest Standards for Regional Center Governing Board Members. Positions Creating Conflicts of Interest for Regional Center Governing Board Members and Executive Directors.**

(a) ~~The following constitute conflicts of interest for regional center governing board members:~~ (1) A conflict of interest exists when a regional center member of the governing board member, executive director, or a family member of such person is any director, officer, owner, partner, shareholder, trustee or employee of any business entity or provider, holds any position of management in any business entity or provider, or has decision or policy making authority in such an entity or provider, of the following for a business entity, entity, or provider as defined in section 54505 of these regulations, except to the extent such position is permitted by Welfare and Institutions Code, sSections 4622 and 4626 (a)(3) and (b). These conflict of interest provisions are in addition to those stated in Welfare and Institutions Code, Sections 4622(a)(9) and 4626.

- (1) a governing board member
- (2) a board committee member
- (3) a director
- (4) an officer
- (5) an owner
- (6) a partner
- (7) a shareholder
- (8) a trustee
- (9) an agent
- (10) an employee
- (11) a contractor
- (12) a consultant
- (13) a person who holds any position of management; or
- (14) a person who has decision or policy making authority

(b) An employee or contractor of a state or local government entity, which provides services to regional center consumers, who works in a position having no relation to providing those services to regional center consumers, does not have a conflict of interest as a result of his or her position. This exception does not apply to an employee of the Department of Developmental Services.

(c) There is no conflict of interest for purposes of these regulations where a consumer receives employment services through a regional center provider, and

the consumer's family member is a governing board member or executive director of the regional center, or the consumer's family member holds a position described in subsection (a)(1) to (14) with the provider providing the employment services, if the employment service is made equally available to all eligible consumers of the regional center in question.

(d) These conflict of interest provisions are in addition to those conflicts identified in Welfare and Institutions Code sections 4622 and 4626.

~~(2) A conflict of interest exists when the advisory committee board member, appointed pursuant to Welfare and Institutions Code, Section 4622(a)(7), is an employee or member of the governing board of a provider from which the regional center purchases client services and engages in the activities prescribed in Welfare and Institutions Code Section 4622(a)(9). Such member is therefore prohibited from serving as an officer of the regional center governing board and from voting on the matters or issues described in Section 4622(a)(9). Furthermore, the member is subject to disclosure under Section 54522 of these regulations in addition to providing a list of his or her financial interests, as defined in Government Code Section 87103. Fiscal matters, as used in Welfare and Institutions Code Section 4622(a)(9) include, but are not limited to, setting purchase of service priorities, transferring funds to the purchase of service budget, and establishing policies and procedures with respect to payment for services.~~

~~(3) A conflict of interest exists when a governing board member is any individual described in Welfare and Institutions Code Section 4626. A financial interest in regional center operations, as used in Welfare and Institutions Code Section 4626(a)(4), exists if it is reasonably foreseeable that the member's interest, or the member's decision regarding that interest, will have a material financial effect, on the board member's interest in, or relationship with, the business entity or provider pursuant to Government Code, Section 87103. The financial effect is material if the decision will result in a benefit, detriment, gain, loss or profit to the member, entity or provider.~~

~~(b) The regional center governing board shall not enter or authorize the regional center to enter into any contract or any other type of agreement for pecuniary gain with any entity or provider in which a member has a conflict of interest as set forth in subsection (a)(1) and (a)(3) above, nor shall the board or board member allow the regional center to refer a client or prospective client to such an entity or provider.~~

~~(c) No regional center governing board member who has a conflict of interest shall continue to serve as a board member in violation of these provisions unless the board member has eliminated the conflict of interest or obtained a waiver~~

~~pursuant to these regulations. This prohibition does not apply to the extent it is precluded by Welfare and Institutions Code, Sections 4626(a)(3) and (b).~~

Note: Authority cited: ~~Chapter 722, Statutes of 1992, Section 147; Sections 4622, 4626, and 4627 and 4791(i), Welfare and Institutions Code. Reference: Sections 4620.3, 4622, 4626, 4626.5 and 4627 and 4791, Welfare and Institutions Code and Section 87103, Government Code.~~

**§54521. Conflict of Interest Standards for Regional Center Employees- Conflicts of Interest For Regional Center Advisory Committee Board Members.**

(a) A conflict of interest exists when a regional center advisory committee board member, appointed pursuant to Welfare and Institutions Code section 4622(i), is:

(1) in any of the following positions for a business entity, entity, or provider from which the regional center purchases, obtains or secures consumer services:

- (A) member of the governing board
- (B) board committee member
- (C) owner
- (D) partner
- (E) shareholder
- (F) agent
- (G) manager
- (H) employee
- (I) contractor
- (J) consultant

and (2) that person does any of the following:

- (A) Serves as an officer of the regional center board; or
- (B) Votes on any fiscal matter affecting the purchase of services from any regional center provider; or
- (C) Votes on any matters in which the member has a financial interest as that term is defined in section 54522(b).

(b) "Fiscal Matters" as used in this subdivision, include setting purchase of service priorities, making any fiscal commitments, transferring funds to the purchase of service budget, and establishing policies and procedures with respect to payment of services.

Note: Authority cited: Sections 4626 and 4627, Welfare and Institutions Code.  
Reference: Sections 4622, 4626, and 4627, Welfare and Institutions Code.

~~(a) The following constitute conflicts of interest for regional center employees:~~

~~(1) A conflict of interest exists when a regional center employee or a family member of such person is a governing board member, director, officer, owner, partner, shareholder, trustee, or employee of any business entity or provider, holds any position of management in any business entity or provider, or has decision or policy making authority in such an entity or provider, or makes a decision regarding regional center operations involving a business entity or provider in which he or she has a financial interest.~~

~~For the purpose of this section, an employee has a financial interest in regional center operations if it is reasonably foreseeable that the employee's interest or the employee's decision regarding that interest will have a material financial effect, as distinguished from its effect on the regional center's clients and/or their families generally, on:~~

~~(A) Any business entity or provider in which the employee has a direct or indirect investment worth more than one thousand dollars (\$1000).~~

~~(B) Any real property in which the employee has a direct or indirect interest worth more than one thousand dollars (\$1000).~~

~~(C) Any source of income, other than loans by a commercial lending institution in the regular course of business on terms available to the public without regard to employee status, aggregating two hundred fifty dollars (\$250) or more in value provided to, received by or promised to the employee within 12 months prior to the time when the decision is made.~~

~~For purposes of this section, "indirect investment" or "interest" means any investment or interest owned by the spouse or dependent child of an employee, by an agent on behalf of an employee, or by a business entity or provider or trust in which the employee, the employee's agent, spouse, or dependent children own directly, indirectly, or beneficially a ten percent interest or greater.~~

~~The financial effect is material if it will result in a benefit, detriment, gain, loss, or profit to the employee, entity, or provider.~~

~~(2) A conflict of interest exists when a regional center employee devotes less than his or her full time attention and effort to his or her regional center employment for that period for which he or she is being reimbursed.~~

~~(3) A conflict of interest exists when a regional center employee provides services for salary, honorarium, or compensation of any kind in such fashion that~~

~~the employee is receiving dual compensation for the same period of time. This subsection does not apply to regional center employees while officially off duty.~~

~~(4) A conflict of interest exists when a regional center employee participates in the evaluation of an application for employment at the regional center when the applicant is a member of the employee's family, or when an employee acts as a supervisor of another regional center employee who is a member of the supervisor's family.~~

~~(A) For the purpose of this subsection, supervisors shall include those individuals who serve as reviewing officer for reports of performance.~~

~~(B) For the purpose of this subsection, family members shall include: spouse, children, stepchildren, parents, stepparents, brothers, sisters, grandchildren, grandparents, or inlaws.~~

~~(b) No regional center employee shall continue employment with the regional center where the employee has a conflict of interest in violation of those provisions, unless the employee eliminates the conflict of interest or obtains a waiver pursuant to these regulations.~~

~~Note: Authority cited: Section 4627, Welfare and Institutions Code. Reference: Section 4627, Welfare and Institutions Code.~~

**§54522. Conflict of Interest Disclosure—Content of Statements, Procedures and Actions Required for Resolution. Financial Interests in Decisions Creating a Conflict of Interest for Regional Center Governing Board Members and Executive Directors.**

(a) A regional center governing board member or regional center executive director shall not make, participate in making or in any way attempt to use his or her position to influence a regional center or board decision, in which he or she knows or has reason to know, that he or she or a family member has a financial interest.

(b) Financial interest, as used in this section, includes any current or contingent ownership, equity, or security interest that could result directly or indirectly, in receiving a pecuniary gain or sustaining a pecuniary loss as a result of the interest in any of the following:

(1) business entity worth two thousand dollars (\$2,000) or more.

(2) real or personal property worth two thousand dollars (\$2,000) or more in fair market value.

(3) stocks or bonds worth two thousand dollars (\$2,000) or more.

(4) intellectual property rights worth five hundred dollars (\$500) or more.

(5) sources of gross income aggregating five hundred dollars (\$500) or more within the prior 12 months.

(6) future interests for compensation of five hundred dollars (\$500) or more.

(7) personal finances of two hundred fifty dollars (\$250) or more.

Note: Authority cited: Sections 4626 and 4627, Welfare and Institutions Code.  
Reference: Sections 4622, 4626, 4626.5 and 4627, Welfare and Institutions Code and Section 87103, Government Code.

~~(a) Within 60 calendar days of the effective date of this Article, each regional center employee who has decision or policy-making authority, as defined in Section 54505(e) herein, and each member of the governing board, including the board member designated by the regional center provider advisory committee pursuant to Welfare and Institutions Code, Section 4622(a)(7), shall prepare and file an initial conflict of interest statement pursuant to these regulations. Employees shall file their statements with their respective regional center and governing board members shall file their statements with their regional center governing board. Subsequent statements shall be filed thereafter whenever a change in status would create a present or potential conflict of interest situation as defined in these regulations. Individuals serving in any capacity under a waiver granted pursuant to Section 54523 of these regulations shall be required to file a conflict of interest statement with each waiver renewal as required pursuant to Section 54524(b)(3) of these regulations. The regional center and governing board shall designate the individual who is responsible for receiving, processing, and maintaining the initial and subsequent annual statements for their own respective agency. Such individual, however, may not review his or her own filed statement. The initial conflict of interest statement and all subsequent annual statements shall be dated, signed, and contain a declaration, under penalty of perjury, that the governing board member or employee has:~~

~~(1) No present or potential conflict of interest;~~

~~(2) A present conflict of interest; or~~

~~(3) A potential conflict of interest pursuant to these regulations.~~

~~The individual shall specify the factual basis for that determination and provide full and complete disclosure relative to any present or potential conflict of interest, including a description of the nature of the conflict of interest. For the board member designated by the regional center provider advisory committee pursuant to Welfare and Institutions Code, Section 4622(a)(7), the disclosure shall~~



include, to the extent not otherwise disclosed, a list of the member's financial interest as required by Welfare and Institutions Code, Section 4622(a)(9)(C).

~~(b) If a present or potential conflict of interest exists, the statements of regional center employees and governing board members, including the board member designated by the regional center provider advisory committee pursuant to Welfare and Institutions Code, Section 4622(a)(7), shall if desired by the governing board member or regional center employee, also contain a request for waiver of the prohibitions of any present or potential conflict of interest, and a suggested plan of action for resolution of the present or potential conflict of interest, including limitations on the governing board member or regional center employee which will enable him or her to avoid actions involving the conflict of interest during the period the waiver request is being reviewed pursuant to Section 54523 of these regulations.~~

~~(c) The regional center or regional center governing board shall review, respectively, the waiver requests of all regional center employees and governing board members, and determine, in its discretion, whether to submit the request pursuant to the regulations, or require the individual to eliminate the conflict of interest or resign his or her position as stated therein.~~

~~(d) If a present or potential conflict of interest exists and no waiver is requested, or if the regional center or regional center governing board elects not to submit such a request in accordance with these regulations, the regional center employee or governing board member, and the board member designated by the regional center provider advisory committee pursuant to Welfare and Institutions Code, Section 4622(a)(7), shall have thirty (30) calendar days from the date of filing the conflict of interest statement or the date of notification by the regional center or its governing board in which to either take whatever action is necessary to eliminate the conflict of interest, or resign his or her position as a regional center employee or governing board member. During the thirty (30) calendar day period, the employee or board member shall avoid all involvement with or participation in regional center activities involving the conflict of interest in question.~~

~~(e) If no conflict of interest is declared at the time of filing the initial statement or subsequent statements, no further action is required by the governing board member or regional center employee unless or until such time as that individual's status changes, so that he or she is in a present or potential conflict of interest situation. Upon such a change in status, a new statement shall be filed immediately with the member's governing board or the employee's regional center, specifying the factual basis for that determination and providing full and complete disclosure relative to the present or potential conflict of interest in accordance with provisions of subsection (a) above.~~

Note: Authority cited: Chapter 722, Statutes of 1992, Section 147; and Sections 4627 and 4791(i), Welfare and Institutions Code. Reference: Sections 4622, 4626, 4627 and 4791, Welfare and Institutions Code.

**§ 54523. Requests for Waiver. Financial Interests in Contracts Creating a Conflict of Interest For Regional Center Governing Board Members and Executive Directors.**

(a) The purpose of this section is to make certain that regional center governing board members and executive directors are guided solely by the interests of the regional center and its consumers and not by their personal financial interests when participating in the making of contracts in their official capacity.

(b) Regional center governing board members and regional center executive directors shall not be financially interested in any contract in which they participate in making in their official capacity.

(1) Financially interested, for purposes of this section, means any financial interest regardless of the dollar amount, and includes aiming to achieve a financial gain or avoid a financial loss. The financial interest may be direct or indirect and includes any monetary or proprietary benefit, gain of any sort, or the contingent possibility of monetary or proprietary benefits and extends to expectations of economic benefit. Certainty of financial gain is not necessary to create a conflict of interest.

(A) The financial interest is direct when the individual, in his or her official capacity, does business with himself or herself in his or her private capacity.

(B) The financial interest is indirect if a regional center board member or executive director enters into a contract in his or her official capacity with an individual or entity, and because of the relationship between the individual or entity to the board member or executive director, the individual or entity is in a position to render actual or potential pecuniary benefits to the board member or executive director based on that contract.

(2) Participation in the making of a contract includes any act involving preliminary discussions, development, negotiations, compromises, reasoning, planning, drawing of plans and specifications, solicitation for bids, approval and execution.

(c) If a regional center governing board member, executive director, or his or her family member, has a financial interest in a potential contract that creates a present or potential conflict of interest, prior to the first consideration of the potential contract, the regional center board member or executive director shall do all of the following:

(1) fully disclose the existence and nature of the conflicting financial interest to the regional center board;

(2) have it noted in the official board records;

(3) recuse himself or herself from making, participating in making, or in any way attempting to use his or her position to influence a decision on the matter;

(4) leave the room during any discussion or deliberations of the matter and shall not return until disposition of the matter is concluded; and

(5) shall not cast his or her vote upon any matter or contract concerning the financial interest or be counted for purposes of a quorum.

(d) Subdivision (c) does not apply if a board member, who is a regional center consumer, has a financial interest in a contract that will provide him or her with a financial benefit, if that benefit will be available to any regional center consumer.

(e) Regional center governing board members and executive directors shall not make any contract which is financially beneficial to a family member of such person, unless the benefits associated with the contract are available to regional center consumers or their families generally. When benefits associated with the contract are available to regional center consumer or their families generally, subdivision (c) does not apply.

(f) The regional center board may not avoid a conflicting financial interest in a contract by delegating its decision-making authority to another individual or body.

Note: Authority cited: Sections 4626 and 4627, Welfare and Institutions Code. Reference: Sections 4622, 4626, 4626.5 and 4627, Welfare and Institutions Code and Sections 1090 and 87103, Government Code.

~~(a) If the conflict of interest statement filed by the regional center governing board member or the regional center employee indicates that a present or potential conflict of interest exists and a waiver is being requested, then within thirty (30) calendar days of receipt of such a statement, the governing board or regional center shall, unless it has elected to do otherwise pursuant to Section 54522(c), submit the request for waiver packet in accordance with the procedures set forth in this section.~~

~~(b) All requests for waiver packets must be submitted to the Department. In addition, copies of requests for waiver packets involving governing board members must also be sent to the area board in the area and to the State Council.~~

~~(c) Requests for waiver packets shall include:~~

~~(1) A copy of the board member's or employee's conflict of interest statements;~~

~~(2) The request for waiver;~~

~~(3) The plan of action for resolution of his or her conflict of interest and the time frames for doing so; and~~

~~(4) Any limitations proposed by the governing board or regional center to be applied to the board member or employee during the term of the waiver. Limitations may include, but are not limited to:~~

~~(A) Abstention by the person from voting on the conflict of interest situations;~~

~~(B) Nonparticipation by the person, individually or as part of a group, in the preparation, presentation, formulation or approval of reports, plans, policies, analyses, opinions or recommendations regarding the conflict of interest situation, when the exercise of judgement is required and the purpose is to influence the decision;~~

~~(C) Noninvolvement of the person in the negotiation, obligation, or commitment of the regional center to a course of action involving the conflict of interest situation;~~

~~(D) Reassignment of the person to duties or responsibilities where no conflict of interest exists; and~~

~~(E) Establishment of an independent review and prior approval procedure by supervisors or administrative staff regarding purchase of service and other decisions made by the person with respect to the conflict of interest situation.~~

~~(5) The individual(s) responsible for ensuring that the above plan of action or limitations are applied and monitored;~~

~~(6) Any other information which the employee or board member feels is pertinent to his or her request.~~

~~Note: Authority cited: Section 4627, Welfare and Institutions Code. Reference: Sections 4627 and 4628, Welfare and Institutions Code.~~

**§ 54524. Response to Requests for Waiver. General Prohibition of Conflicts of Interest for Regional Center Governing Board Members and Executive Directors.**

(a) In addition to the specific conflict of interest requirements and restrictions set forth above, regional center governing board members and executive directors are obligated to discharge their responsibilities with integrity and fidelity, and are prohibited from placing themselves in a position where their private, personal interests may conflict with their official duties.

(b) Governing board members and executive directors are impliedly bound to exercise the powers conferred on them with disinterested skill, zeal and diligence and for the benefit of the regional center and the consumers.

(c) If a situation arises that has not been specifically addressed in these regulations, where a governing board member, executive director or his or her family member's personal or pecuniary interest conflicts with the individual's duty to act in the best interest of the regional center or the consumers, the governing board member or executive director is disqualified from taking any part in the discussion, or from making any recommendation or decision regarding the transaction or decision.

(d) In interpreting and applying this section, the common law doctrine against conflict of interest and the authorities interpreting that doctrine shall govern.

Note: Authority cited: Sections 4626 and 4627, Welfare and Institutions Code.  
Reference: Sections 4626 and 4627, Welfare and Institutions Code.

~~(a) Within twenty (20) calendar days after the area board in the area and the State Council receive copies of a request for waiver packet regarding a regional center governing board member, the area board in the area and the State Council, respectively, shall provide to the Department their written approval or disapproval of such request. The Department may not approve the request for waiver of a regional center governing board member without the approval of both the area board in the area and the State Council.~~

~~(b) Within sixty (60) calendar days after the Department receives a request for waiver packet the Department will respond to the request for waiver in writing:~~

~~(1) Explaining the outcome of its review including approval or denial of the request, where appropriate, and the rationale for the decision;~~

~~(2) Specifying the actions, if any, by the governing board or regional center which the Department deems necessary in order to resolve the conflict of interest; and~~

~~(3) Stating the duration of the waiver, if approved, according to the following:~~

~~(A) For the members of the governing boards who are subject to these regulations, the duration of the waiver may not exceed one year;~~

~~(B) For the regional center employee, the duration of the waiver will be determined by the Department.~~

~~(c) If the request for waiver is denied by the Department and/or the State Council or area board in the area pursuant to subsections (a) and (b) herein, the governing board member or regional center employee shall have thirty (30) calendar days from the date of receipt of the denial in which to either take whatever action is necessary to eliminate the conflict of interest or resign his or her position as a governing board member or regional center employee. During this thirty (30) calendar day period, the board member or employee shall avoid all involvement with and participation in the conflict of interest in question.~~

~~Note: Authority cited: Section 4627, Welfare and Institutions Code. Reference: Sections 4627 and 4628, Welfare and Institutions Code.~~

**§ 54525. Sanctions-Necessity of Conflict Resolution Plan for Conflicts of Interests For Regional Center Governing Board Members and Executive Directors.**

(a) The regional center governing board or executive director shall not allow the regional center to refer a consumer to any business entity, entity or provider in which a board member or executive director has a conflict of interest as set forth in these regulations, unless the board member or executive director has eliminated the conflict of interest or obtained an approved Conflict Resolution Plan prior to the referral.

(b) No regional center governing board member or executive director who has a conflict of interest, shall continue to serve as a board member or executive director in violation of these provisions, unless the individual has eliminated the conflict of interest or obtained an approved Conflict Resolution Plan. This subdivision does not apply to the extent it is permitted by Welfare and Institutions Code, sections 4622 and 4626.

Note: Authority cited: Sections 4626 and 4627, Welfare and Institutions Code. Reference: Sections 4622, 4626 and 4627, Welfare and Institutions Code.

~~(a) If the Department finds a governing board, a board member, a regional center or a center employee, in violation of any of the sections set forth in this Article, the Department shall:~~

~~(1) Immediately inform the party or parties in writing of such violation, including the supporting facts or information upon which determination of violation was made; and~~

~~(2) Require that the party or parties take appropriate action, within thirty (30) calendar days of the notice of violation, to resolve the conflict of interest or otherwise eliminate the violation. The Department may extend this thirty-day period only once and for a period not to exceed thirty (30) calendar days.~~

~~(b) If the violation is not resolved or eliminated within the thirty (30) calendar days as herein provided, and no extension of time has been granted by the Department, the Department may take immediate action to:~~

~~(1) Withhold part of the funding for that regional center; or~~

~~(2) Commence procedures for termination or nonrenewal of the regional center contract pursuant to Welfare and Institutions Code, Section 4635.~~

~~The area board in the area and the State Council shall be notified of the above action.~~

~~Note: Authority cited: Section 4627, Welfare and Institutions Code. Reference: Sections 4627 and 4635, Welfare and Institutions Code.~~

**§ 54526. Purchases Positions Creating Conflicts of Interests for Employees, Contractors, Agents and Consultants.**

(a) A conflict of interest exists when a regional center employee with decision or policy making authority, or contractor, agent or consultant with authority to act on behalf of the regional center, or family member of such person, is any of the following for a business entity, entity, or provider as defined in these regulations:

- (1) a governing board member
- (2) a board committee member
- (3) a director
- (4) an officer
- (5) an owner
- (6) a partner
- (7) a shareholder
- (8) a trustee
- (9) an employee
- (10) an agent
- (11) a contractor
- (12) a consultant
- (13) holds any position of management
- (14) has decision or policy making authority



(b) An employee or contractor of a state or local government entity, which provides services to regional center consumers, who works in a position having no relation to providing those services to regional center consumers, does not have a conflict of interest as a result of his or her position. This exception does not apply to an employee of the Department of Developmental Services.

Note: Authority cited: Sections 4626 and 4627, Welfare and Institutions Code. Reference: Sections 4626, 4626.5 and 4627, Welfare and Institutions Code and Section 87103, Government Code.

**§ 54527. Records. Financial Interests in Decisions Creating a Conflict of Interest for Employees, Contractors, Agents or Consultants.**

(a) A regional center employee, contractor, agent or consultant shall not make, participate in making or in any way attempt to use his or her position to influence a regional center decision, in which he or she knows or has reason to know that he or she, or his or her family member has a financial interest.

(b) Financial interest, as used in this section, includes any current or contingent ownership, equity, or security interest that could result directly or indirectly, in receiving a pecuniary gain or sustaining a pecuniary loss as a result of the interest in any of the following:

(1) business entity worth two thousand dollars (\$2,000) or more.

(2) real or personal property worth two thousand dollars (\$2,000) or more in fair market value.

(3) stocks or bonds worth two thousand dollars (\$2,000) or more.

(4) intellectual property rights worth five hundred dollars (\$500) or more

(5) sources of gross income aggregating five hundred dollars (\$500) or more within prior 12 months

(6) future interests for compensation of five hundred dollars (\$500) or more.

(7) personal finances of two hundred fifty dollars (\$250) or more.

Note: Authority cited: Sections 4626 and 4627, Welfare and Institutions Code. Reference: Sections 4622, 4626, 4626.5 and 4627, Welfare and Institutions Code and Section 87103, Government Code.



**§ 54528. Board Meetings. Financial Interests in Contracts Creating a Conflict of Interest For Regional Center Employees, Contractors, Agents and Consultants.**

(a) The purpose of this section is to make certain that regional center employees, contractors, agents and consultants are guided solely by the interests of the regional center and the consumers and not by their personal interests, when participating in the making of contracts in their official capacity.

(b) Regional center employees, contractors, agents and consultants shall not be financially interested in any contract in which they participate in making in their official capacity.

(1) Financially interested, for purposes of this section, means any financial interest regardless of the dollar amount, and includes aiming to achieve a financial gain or avoid a financial loss. The financial interest may be direct or indirect and includes any monetary or proprietary benefit, gain of any sort, or the contingent possibility of monetary or proprietary benefits and extends to expectations of economic benefit. Certainty of financial gain is not necessary to create a conflict of interest.

(A) The financial interest is direct when the individual, in his or her official capacity, does business with himself or herself in his or her private capacity.

(B) The financial interest is indirect if an employee, contractor, agent or consultant enters into a contract in his or her official capacity with an individual or entity, and because of the relationship between the individual or entity to the employee, contractor, agent or consultant, the individual or entity is in a position to render actual or potential pecuniary benefits to the employee, contractor, agent or consultant based on that contract.

(2) Participation in the making of a contract includes any act involving preliminary discussions, development, negotiations, compromises, reasoning, planning, drawing of plans and specifications, solicitation for bids, approval and execution.

(c) Regional employees, contractors, agents or consultants shall not make any contract which is financially beneficial to a family member of such person, unless the benefits associated with the contract are available to regional center consumers or their families generally.

Note: Authority cited: Sections 4626 and 4627, Welfare and Institutions Code. Reference: Sections 4622, 4626, 4626.5 and 4627, Welfare and Institutions Code and Sections 1090 and 87103, Government Code.

**§ 54529. Sanctions. General Prohibition of Conflicts of Interest for Regional Center Employees, Contractors, Agents and Consultants.**

(a) In addition to the specific conflict of interest requirements and restrictions set forth above, regional center employees, contractors, agents and consultants are obligated to discharge their responsibilities with integrity and fidelity, and are prohibited from placing themselves in a position where their private, personal interests may conflict with their official duties.

(b) A regional center employee, contractor, agent or consultant is impliedly bound to exercise the powers conferred on him or her with disinterested skill, zeal and diligence and for the benefit of the regional center and its consumers.

(c) If a situation arises that has not been specifically addressed in these regulations, where a present or potential personal conflict of interest exists as to a particular transaction or decision, the employee, contractor, agent or consultant is disqualified from taking any part in the discussion, or from making any recommendation or decision regarding the particular matter.

(d) In interpreting and applying this section, the common law doctrine against conflict of interest and the authorities interpreting that doctrine shall govern.

Note: Authority cited: Sections 4626 and 4627, Welfare and Institutions Code.  
Reference: Sections 4626 and 4627, Welfare and Institutions Code.

**§ 54530. Employees, Contractors, Agents and Consultants Conflicts With Regional Center Duties.**

(a) A conflict of interest exists when a regional center employee, contractor, agent or consultant participates in the evaluation of an application for employment or bid for position or contract at the regional center that is submitted by a family member of such person.

(b) A potential conflict of interest exists when a regional center employee, contractor, agent or consultant acts as a supervisor of his or her family member.

Note: Authority cited: Sections 4626 and 4627, Welfare and Institutions Code.  
Reference: Sections 4626 and 4627, Welfare and Institutions Code.

**§ 54531. Conflict of Interest Reporting Statements for Employees, Contractors, Agents and Consultants, Time for Filing.**

(a) Each regional center employee, contractor, agent, and consultant, who has authority to act on behalf of the regional center, or who has decision or policy-

making authority as defined in section 54505 of these regulations, shall complete and file a standard Conflict of Interest Reporting Statement (8/2012), hereby incorporated by reference.

(b) Each regional center employee, contractor, agent, and consultant shall complete and file an annual Conflict of Interest Reporting Statement with his or her respective regional center, whether or not the individual has identified a present or potential conflict of interest, by August 1 of each year.

(c) Each newly appointed regional center employee, contractor, agent, and consultant shall complete and file a Conflict of Interest Reporting Statement with the individual's respective regional center within 30 calendar days of assuming the position.

(d) Each regional center employee, contractor, agent, and consultant shall complete and file a new Conflict of Interest Reporting Statement within 30 calendar days of any change in status that creates a present or potential conflict of interest. For purposes of this subdivision, a change of status includes, reporting a previously unreported activity that should have been reported, change in the circumstance of a previously reported activity, change in a financial interest, familial relationship, or legal commitment(s), change in regional center position or duties, and change to outside position or duties. This requirement is in addition to the annual August 1 submission of a Conflict of Interest Reporting Statement required by this section.

(e) The executive director of the regional center shall review the completed Conflict of Interest Reporting Statement of each regional center employee, contractor, agent, and consultant required to file a Conflict of Interest Reporting Statement pursuant to subdivision (a) of this section, within 10 working days of receipt of the completed Conflict of Interest Reporting Statement, and shall determine whether the statement identifies a present or potential conflict of interest.

Note: Authority cited: Sections 4626 and 4627, Welfare and Institutions Code. Reference: Sections 4622, 4626, 4626.5 and 4627, Welfare and Institutions Code.

**§ 54532. Conflict of Interest Reporting Statements for Regional Center Governing Board Members and Regional Center Executive Directors, Time for Filing.**

(a) Each regional center governing board member and regional center executive director shall complete and file an annual Conflict of Interest Reporting Statement with his or her respective regional center governing board, whether or not the individual has identified a present or potential conflict of interest, by August 1 of each year.

(b) Each new candidate for the regional center governing board and each new candidate for regional center executive director shall disclose any present or potential conflicts of interest to the regional center governing board, prior to being appointed, elected, or approved for hire, by the regional center or the regional center governing board.

(c) Each new regional center governing board member and each new regional center executive director shall complete and file a Conflict of Interest Reporting Statement with his or her respective regional center board, within 30 calendar days of being selected, appointed, elected, or approved for the position.

(d) Each regional center governing board member and each regional center executive director shall complete and file a new Conflict of Interest Reporting Statement with his or her respective regional center board, within 30 calendar days of any change in status that creates a present or potential conflict of interest. For purposes of this subdivision, a change of status includes, reporting a previously unreported activity that should have been reported, change in the circumstance of a previously reported activity, change in financial interest, familial relationship, or legal commitment(s), change in regional center or regional center board position or duties, and change to outside position or duties. This requirement is in addition to the annual August 1 submission of a Conflict of Interest Reporting Statement required by this section.

(e) The regional center governing board shall submit a copy of each completed Conflict of Interest Reporting Statement, of the governing board member(s) and the regional center executive director, to the Department within 10 working days of receipt of the completed Conflict of Interest Reporting Statement.

(f) The Department and the regional center governing board shall review the Conflict of Interest Reporting Statement of each regional center governing board member and each regional center executive director and shall determine whether the statement identifies a present or potential conflict of interest.

Note: Authority cited: Sections 4626 and 4627, Welfare and Institutions Code.  
Reference: Sections 4622, 4626, 4626.5 and 4627, Welfare and Institutions Code.

**§ 54533. Present or Potential Conflict of Interest Identified, Proposed Conflict Resolution Plan Content, Timelines for Submission of Proposed Conflict Resolution Plan.**

(a) When a present or potential conflict of interest is identified for a regional center board member, executive director, employee, contractor, agent or consultant, the present or potential conflict shall be either eliminated or mitigated and managed through a Conflict Resolution Plan, or the individual shall resign his or her position with the regional center or regional center governing board.



(b) When a present or potential conflict of interest has been identified by the regional center executive director for a regional center employee, contractor, agent or consultant, the regional center shall submit a copy of the completed Conflict of Interest Reporting Statement and a proposed Conflict Resolution Plan for eliminating or mitigating and managing the present or potential conflict to the Department, within 30 calendar days of receipt of the completed conflict of interest statement from the employee, contractor, agent or consultant.

(c) When a present or potential conflict of interest has been independently identified by the Department for a regional center employee, contractor, agent or consultant, the Department shall notify the regional center executive director, in writing, of the present or potential conflict. The regional center executive director shall submit a copy of the completed Conflict of Interest Reporting Statement and a proposed Conflict Resolution Plan for eliminating or mitigating and managing the present or potential conflict, to the Department within 30 calendar days of receipt of the Department's notification.

(d) When a present or potential conflict of interest has been identified by the regional center governing board, for a regional center governing board member or regional center executive director, the regional center governing board shall submit a copy of the completed Conflict of Interest Reporting Statement and a proposed Conflict Resolution Plan for eliminating or mitigating and managing the present or potential conflict, to the Department, in addition to the area board in the respective area, and to the State Council, within 30 calendar days of receipt of the completed Conflict of Interest Reporting Statement.

(e) When a present or potential conflict of interest has been independently identified by the Department for a regional center governing board member or regional center executive director, the Department shall notify the regional center governing board, in writing, of the present or potential conflict. The regional center governing board shall submit a copy of the completed Conflict of Interest Reporting Statement and a proposed Conflict Resolution Plan for eliminating or mitigating and managing the present or potential conflict, to the Department, in addition to the area board in the respective area, and to the State Council, within 30 calendar days of receipt of the Department's notification.

(f) To promote transparency, the regional center shall post on its Internet Website each completed Conflict of Interest Reporting Statement that identifies a present or potential conflict of interest that cannot be resolved within 30 calendar days of receipt by the regional center governing board or the regional center executive director, or within 30 calendar days of receipt of the Department's notification that it has independently identified a present or potential conflict of interest.

The completed Conflict of Interest Reporting Statement shall remain on the regional center's Internet Website until the present or potential conflict of interest

has been eliminated, or the individual has resigned his or her regional center position.

(g) The proposed Conflict Resolution Plan shall be a written, detailed plan to eliminate, or mitigate and manage, the present or potential conflict of interest, along with any necessary supporting documents.

The proposed Conflict Resolution Plan shall:

- (1) Describe the precise nature of the present or potential conflict of interest or activity and give a detailed description of the conflict:
  - (A) The type of interest creating the present or potential conflict; and
  - (B) The identity and relationship between the individual(s) and/or entity(ies) involved; and
  - (C) The roles and duties of each individual and/or entity, that gives rise to the present or potential conflict of interest.
- (2) State the action(s) that the regional center governing board, regional center and/or the individual(s) will take, including the necessary timeframes, to eliminate or mitigate and manage the present or potential conflict of interest. Actions to eliminate, or mitigate and manage, the present or potential conflict of interest, may include, but are not limited to, one or more of the following:
  - (A) Resignation of the individual(s) from the position or activity creating the conflict of interest
  - (B) Refraining from participation, or limiting the individual's ability to act, in a particular matter or category of matters
  - (C) Change of assignment, duties, or position
  - (D) Divestiture of financial interests that give rise to the conflict of interest
  - (E) Terminating or refraining from relationships that give rise to conflicts of interest
- (3) Provide a detailed explanation of how each of the proposed actions, will actually eliminate or mitigate and manage the present or potential conflict of interest.

- (4) Provide the name, position and duties of the individual(s) who will be responsible for ensuring that any actions, limitations, or restrictions, included in the Conflict Resolution Plan, if approved by the Department, will be taken, applied, followed, and monitored. Explain any oversight and monitoring mechanism in enough detail to allow the Department to ascertain that the mechanism is sufficient to eliminate, or mitigate and manage, the present or potential conflict of interest.
- (5) A proposed Conflict Resolution Plan shall be signed by the individual(s) subject to the Conflict Resolution Plan, in addition to the person in the designated position or committee responsible for reviewing the Conflict of Interest Reporting Statement, and the person in the designated position or committee responsible for monitoring performance under the proposed Plan, if approved.

Note: Authority cited: Sections 4626 and 4627, Welfare and Institutions Code. Reference: Sections 4622, 4626, 4626.5, and 4627, Welfare and Institutions Code.

**§ 54534. Conflict Resolution Plan Review, Procedures.**

(a) Not later than 90 calendar days after the area board in the respective area and the State Council receive copies of the completed Conflict of Interest Reporting Statement and the proposed Conflict Resolution Plan for a regional center governing board member or regional center executive director, the area board and the State Council shall each provide to the Department their written approval or disapproval of the proposed Conflict Resolution Plan. If either the area board or the State Council fail to provide the Department with its written approval or disapproval of the proposed Plan within 90 calendar days of receipt of the Conflict of Interest Reporting Statement and the proposed Plan, the Department alone, may make the decision to disapprove the proposed Plan. The Department shall not approve a proposed Conflict Resolution Plan without the approval of both the area board and the State Council.

(b) The Department shall determine whether a proposed Conflict Resolution Plan is sufficient or needs to be modified to adequately eliminate, or mitigate and manage, the present or potential conflict of interest. The Department may impose additional restrictions and additional obligations to the proposed Conflict Resolution Plan and/or make a determination that further information is required.

(c) The Department is responsible for making the final decision as to what conditions, restrictions, obligations, or actions, if any, shall be imposed or taken, by the regional center governing board, regional center, and/or the individual(s), to eliminate, or mitigate and manage, the present or potential conflict of interest.

(d) The submission of a proposed Conflict Resolution Plan does not authorize an individual with a present or potential conflict of interest to engage in any activity that constitutes a present or potential conflict of interest. The proposed Conflict Resolution Plan shall be approved, in writing, by the Department, and the Conflict Resolution Plan fully implemented, prior to the individual engaging in otherwise prohibited conduct. Department approval is not granted until the regional center receives such determination in writing. Individuals shall not engage in activities in which there is a present or potential conflict of interest except in accordance with the terms of an approved Conflict Resolution Plan.

(e) Department approval of a proposed Conflict Resolution Plan is not valid unless it is based upon full disclosure of all relevant information by the regional center governing board, regional center, and/or the individual(s), with the present or potential conflict of interest. Nondisclosure or misrepresentation, of present or potential conflicts of interest or of material information bearing on the proposed Conflict Resolution Plan decision, shall result in the Department's rescission of its approval and/or immediate denial of the proposed Conflict Resolution Plan, in addition to any civil penalties imposed pursuant to Welfare and Institutions Code section 4626.

(f) The Department shall issue its modification, approval, or denial of the proposed Conflict Resolution Plan, in writing, to the regional center governing board or the regional center's designated party, within 30 calendar days of receiving the written approval or disapproval of the proposed Conflict Resolution Plan from the area board and the State Council, for regional center governing board members or executive directors, and within 30 calendar days of receipt of the proposed Conflict Resolution Plan, for employees, contractors, agents and consultants, unless the Department determines there is good cause for extending the time to respond.

(g) If the proposed Conflict Resolution Plan of an employee, contractor, agent or consultant is denied by the Department, the individual shall have 30 calendar days, from the date of receipt of the Department's written denial, in which to take the necessary action to eliminate the conflict of interest or resign his or her position as an employee, contractor, agent, or consultant. The Department may, in exercise of its discretion grant the individual and/or the regional center an extension in which to complete any actions necessary to eliminate the conflict of interest.

(h) If the proposed Conflict Resolution Plan of a regional center governing board member or executive director is denied by the Department and/or the State Council or area board in the respective area, the governing board member or executive director shall have 30 calendar days, from the date of receipt of the Department's written denial, in which to take the necessary action to eliminate the conflict of interest or resign his or her position as a regional center governing board member or executive director. The Department may, in exercise of its discretion, grant the regional center governing board, governing board member,



executive director or regional center, an extension in which to complete any actions necessary to eliminate the conflict of interest.

(i) If the proposed Conflict Resolution Plan is approved by the Department, the approved Conflict Resolution Plan shall be implemented not later than 30 calendar days after written notification is mailed by the Department, unless the Department, grants the regional center governing board, the regional center and/or the individual(s) an extension in which to complete any actions necessary to implement the approved Conflict Resolution Plan.

(j) The regional center governing board, the regional center, and/or the covered individual(s) shall fully comply with all elements set forth in the approved Conflict Resolution Plan. When required by the terms of the approved Plan, the regional center governing board, the regional center, and the individual(s) shall provide documentation demonstrating compliance with the approved Plan to the Department.

(k) A new proposed Conflict Resolution Plan shall be submitted to the Department on an annual basis and upon any change of status that creates a present or potential conflict of interest.

(l) The regional center governing board and/or the regional center shall retain a copy of each Conflict of Interest Reporting Statement and any approved Conflict Resolution Plan for the period of time consistent with the record retention requirements in its State contract.

Note: Authority cited: Sections 4626 and 4627, Welfare and Institutions Code.  
Reference: Sections 4622, 4626 and 4627, Welfare and Institutions Code.

#### **§ 54535. Sanctions.**

(a) If the Department finds a regional center governing board, board member, executive director, employee, contractor, agent, or consultant, in violation of any of the provisions of this Article, the Department shall:

(1) Immediately inform the party or parties in writing of such violation, including the supporting facts or information upon which determination of violation was made; and

(2) Require that the party or parties take appropriate action, within 30 calendar days of the notice of violation, to resolve the conflict of interest or otherwise eliminate the violation. The Department may extend this 30 day period only once and for a period not to exceed 30 calendar days.

(b) If the violation is not resolved or eliminated within the 30 calendar days as herein provided, and no extension of time has been granted by the Department, the Department may take immediate action to commence procedures for

termination or nonrenewal of the regional center contract pursuant to Welfare and Institutions Code section 4635. The area board in the respective area and the State Council shall be notified of the above action.

Note: Authority cited: Sections 4626 and 4627, Welfare and Institutions Code.  
Reference: Sections 4626, 4627 and 4635, Welfare and Institutions Code.

8/2012

## CONFLICT OF INTEREST REPORTING STATEMENT

The duties and responsibilities of your position with the regional center require you to file this Conflict of Interest Reporting Statement. The purpose of this statement is to assist you, the regional center and the Department of Developmental Services (DDS) to identify any relationships, positions or circumstances involving you which may create a conflict of interest between your regional center duties and obligations, and any other financial interests and/or relationships that you may have. In order to be comprehensive, this reporting statement requires you to provide information with respect to your financial interests.

A "conflict of interest" generally exists if you have one or more personal, business, or financial interests, or relationships that would cause a reasonable person with knowledge of the relevant facts to question your impartiality with respect to your regional center duties. The specific circumstances and relationships which create a conflict of interest are set forth in the California Code of Regulations, title 17, sections 54500 through 54530. You should review these provisions to understand the specific financial interests and relationships that can create a conflict of interest.

Please answer the following questions to the best of your knowledge. If you find a question requires further explanation and/or there is not enough space to thoroughly answer the question, please attach as many additional sheets as necessary, and refer to the question number next to your answer. If the regional center identifies a conflict involving you, it will be required to prepare a conflict resolution plan. Some relevant definitions have been provided in the footnotes to assist you in responding to this statement.

You are required to file this Reporting Statement within 30 days of beginning your employment with the regional center or from the date that you are appointed to the regional center board or advisory committee board. You are then required to file an annual Reporting Statement by August 1st of every year while you remain employed with the regional center or while you are a member of the regional center board or advisory committee board. You must also file a Reporting Statement within 30 days of any change in your status that could result in a conflict of interest. Circumstances that can constitute a change in your status that can require you to file an updated Reporting Statement are described below in footnote one.

### INFORMATION OF REPORTING INDIVIDUAL

Name \_\_\_\_\_ Regional Center \_\_\_\_\_

**Regional Center Position/Title** ☐ Governing Board member ☐ Executive Director  
☐ Vendor Advisory Committee sitting on board ☐ Employee ☐ Contractor ☐ Agent ☐ Consultant  
**Reporting Status** ☐ Annual ☐ New Appointment (date) \_\_\_\_\_ ☐ Change of Status<sup>1</sup>

If a change in status, date and circumstance of change in status \_\_\_\_\_

1. Please list your job title and describe your job duties at the regional center.

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<sup>1</sup> Change of status includes reporting a previously unreported activity that should have been reported, change in the circumstance of a previously reported activity, change in financial interest, familial relationship, legal commitment, change in regional center position or duties, or change to outside position or duties. See California Code of Regulations, title 17, sections 54531(d) and 54532(d).

8/2012

- ☐ Governing Board Member
- ☐ Vendor Advisory on Board
- ☐ Executive Director
- ☐ Employee/Other

2. Do you or a family member<sup>2</sup> work for any entity or organization that is a regional center provider or contractor? ☐ yes ☐ no If yes, provide the name of the entity or organization and describe what services it provides for the regional center or regional center consumers. If the provider or contractor is a state or local entity, provide the specific name of the state or local entity and describe your job duties at the state or local entity.

3. Do you or a family member own or hold a position<sup>3</sup> in an entity or organization that is a regional center provider or contractor? ☐ yes ☐ no If yes, provide the name of the entity or organization, describe what services it provides for the regional center or regional center consumers, and describe your or your family member's financial interest.

4. Are you a regional center advisory committee board member? ☐ yes ☐ no If yes, are you a member of the governing board or owner or employee of an entity or organization that provides services to the regional center or regional center consumers? ☐ yes ☐ no If yes, provide the name of the entity or organization and describe what services it provides for the regional center or regional center consumers.

5. If you are a regional center advisory committee board member and answered yes to all the questions in Question 4 above, do any of the following apply to you: (a) are you an officer of the regional center board; (b) do you vote on purchasing services from a regional center provider; or (c) do you vote on matters where you might have a financial interest? ☐ yes ☐ no If yes, please explain.

<sup>2</sup> Family member includes your spouse, domestic partner, parents, stepparents, grandparents, siblings, stepsiblings, children, stepchildren, grandchildren, and in-laws. See California Code of Regulations, title 17, sections 54505(f).

<sup>3</sup> For purposes of this question, hold a position generally means that you or a family member is a director, officer, owner, partner, employee, or shareholder of an entity or organization that is a regional center provider or contractor. For a specific description of positions that create a conflict of interest in a regional center provider or contractor see the California Code of Regulations, title 17, sections 54520 and 54526.

8/2012

☐ Governing Board Member  
☐ Vendor Advisory on Board  
☐ Executive Director  
☐ Employee/Other

6. Do any of the decisions you make when performing your job duties with the regional center have the potential to financially benefit you or a family member? ☐ yes ☐ no If yes, please explain.

7. Are you responsible for negotiating, making,<sup>6</sup> executing or approving contracts on behalf of the regional center? ☐ yes ☐ no If yes, please explain.

8. Do you have a financial interest in any contract<sup>8</sup> with the regional center? ☐ yes ☐ no If yes, did you negotiate, make, execute or approve the contract on behalf of the regional center? ☐ yes ☐ no If yes, please explain.

9. Do any of your family members have a financial interest in any contract with the regional center? ☐ yes ☐ no If yes, did you negotiate, make, execute or approve the contract on behalf of the regional center? ☐ yes ☐ no If yes, please explain.

<sup>4</sup> Generally, a decision can financially benefit you or a family member if the decision can either directly or indirectly cause you or a family member to receive a financial gain or avoid a financial loss. For a specific description of the types of decisions that can result in a financial benefit to you or a family member see the California Code of Regulations, title 17, sections 54522 and 54527.

<sup>5</sup> California Code of Regulations, title 17, sections 54523(b)(2) and 54528(b)(2) describes the types of conduct which constitute involvement in the making of a contract.

<sup>6</sup> For purposes of questions 8 and 9, a financial interest in a contract generally means any direct or indirect interest in a contract that can cause you or a family member to receive any sort of financial gain or avoid any sort of financial loss irrespective of the dollar amount. California Code of Regulations, title 17, sections 54523 and 54528 define when financial interests in a contract will occur.

8/2012

- ☐ Governing Board Member
- ☐ Vendor Advisory on Board
- ☐ Executive Director
- ☐ Employee/Other

10. Do you evaluate employment applications or contract bids that are submitted by your family member(s)? ☐ yes ☐ no If yes, please explain.

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11. Your job duties require you to act in the best interests of the regional center and regional center consumers. Do you have any circumstances or other financial interests not already discussed above that would prevent you from acting in the best interests of the regional center or its consumers? ☐ yes ☐ no If yes, please explain.

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#### ATTESTATION

I \_\_\_\_\_ (print name) HEREBY CONFIRM that I have read and understand the regional center's Conflict of Interest Policy and that my responses to the questions in this Conflict of Interest Reporting Statement are complete, true, and correct to the best of my information and belief. I agree that if I become aware of any information that might indicate that this statement is not accurate or that I have not complied with the regional center's Conflict of Interest Policy or the applicable conflict of interest laws, I will notify the regional center's designated individual immediately. I understand that knowingly providing false information on this Conflict of Interest Reporting Statement shall subject me to a civil penalty in an amount up to fifty thousand dollars (\$50,000) pursuant to Welfare and Institutions Code section 4626.

Signature \_\_\_\_\_

Date \_\_\_\_\_

#### Internal Use Only

Date this statement was received by reviewer \_\_\_\_\_

The reporting individual ☐ does ☐ does not have a ☐ present ☐ potential conflict of interest.

Signature of Designated Reviewer \_\_\_\_\_

Date Review Completed \_\_\_\_\_

**CONFLICT OF INTEREST REPORTING STATEMENT**  
**DS 6016 (New 08/2012)**

The duties and responsibilities of your position with the regional center require you to file this Conflict of Interest Reporting Statement. The purpose of this statement is to assist you, the regional center and the Department of Developmental Services (DDS) to identify any relationships, positions or circumstances involving you which may create a conflict of interest between your regional center duties and obligations, and any other financial interests and/or relationships that you may have. In order to be comprehensive, this reporting statement requires you to provide information with respect to your financial interests.

A "conflict of interest" generally exists if you have one or more personal, business, or financial interests, or relationships that would cause a reasonable person with knowledge of the relevant facts to question your impartiality with respect to your regional center duties. The specific circumstances and relationships which create a conflict of interest are set forth in the California Code of Regulations, title 17, sections 54500 through 54530. You should review these provisions to understand the specific financial interests and relationships that can create a conflict of interest.

Please answer the following questions to the best of your knowledge. If you find a question requires further explanation and/or there is not enough space to thoroughly answer the question, please attach as many additional sheets as necessary, and refer to the question number next to your answer. If the regional center identifies a conflict involving you, it will be required to prepare a conflict resolution plan. Some relevant definitions have been provided in the footnotes to assist you in responding to this statement.

You are required to file this Reporting Statement within 30 days of beginning your employment with the regional center or from the date that you are appointed to the regional center board or advisory committee board. You are then required to file an annual Reporting Statement by August 1st of every year while you remain employed with the regional center or while you are a member of the regional center board or advisory committee board. You must also file a Reporting Statement within 30 days of any change in your status that could result in a conflict of interest. Circumstances that can constitute a change in your status that can require you to file an updated Reporting Statement are described below in footnote one.

**A. INFORMATION OF REPORTING INDIVIDUAL**

Name: \_\_\_\_\_ Regional Center: \_\_\_\_\_

**Regional Center Position/Title:** ☐ Governing Board Member ☐ Executive Director  
☐ Vendor Advisory Committee sitting on Board ☐ Employee  
☐ Contractor ☐ Agent ☐ Consultant

**Reporting Status:** ☐ Annual ☐ New Appointment (date): \_\_\_\_\_  
☐ Change of Status<sup>1</sup>

If a change in status, date and circumstance of change in status:

1. Please list your job title and describe your job duties at the regional center.

<sup>1</sup> Change of status includes reporting a previously unreported activity that should have been reported, change in the circumstance of a previously reported activity, change in financial interest, familial relationship, legal commitment, change in regional center position or duties, or change to outside position or duties. See California Code of Regulations, title 17, sections 54531(d) and 54532(d).

<input type="checkbox"/> Governing Board Member
<input type="checkbox"/> Vendor Advisory on Board
<input type="checkbox"/> Executive Director
<input type="checkbox"/> Employee/Other

2. Do you or a family member<sup>2</sup> work for any entity or organization that is a regional center provider or contractor?  
☐ yes ☐ no -- If yes, provide the name of the entity or organization and describe what services it provides for the regional center or regional center consumers. If the provider or contractor is a state or local entity, provide the specific name of the state or local entity and describe your job duties at the state or local entity.
  
3. Do you or a family member own or hold a position<sup>3</sup> in an entity or organization that is a regional center provider or contractor? ☐ yes ☐ no -- If yes, provide the name of the entity or organization, describe what services it provides for the regional center or regional center consumers, and describe your or your family member's financial interest.
  
4. Are you a regional center advisory committee board member? ☐ yes ☐ no -- If yes, are you a member of the governing board or owner or employee of an entity or organization that provides services to the regional center or regional center consumers? ☐ yes ☐ no -- If yes, provide the name of the entity or organization and describe what services it provides for the regional center or regional center consumers.
  
5. If you are a regional center advisory committee board member and answered yes to all the questions in Question 4 above, do any of the following apply to you: (a) are you an officer of the regional center board; (b) do you vote on purchasing services from a regional center provider; or (c) do you vote on matters where you might have a financial interest? ☐ yes ☐ no -- If yes, please explain.

<sup>2</sup> Family member includes your spouse, domestic partner, parents, stepparents, grandparents, siblings, stepsiblings, children, stepchildren, grandchildren, and in-laws. See California Code of Regulations, title 17, sections 54505(f).

<sup>3</sup> For purposes of this question, hold a position generally means that you or a family member is a director, officer, owner, partner, employee, or shareholder of an entity or organization that is a regional center provider or contractor. For a specific description of positions that create a conflict of interest in a regional center provider or contractor see the California Code of Regulations, title 17, sections 54520 and 54526.



<input type="checkbox"/> Governing Board Member
<input type="checkbox"/> Vendor Advisory on Board
<input type="checkbox"/> Executive Director
<input type="checkbox"/> Employee/Other

6. Do any of the decisions you make when performing your job duties with the regional center have the potential to financially benefit you or a family member<sup>4</sup>? ☐ yes ☐ no -- If yes, please explain.
7. Are you responsible for negotiating, making,<sup>5</sup> executing or approving contracts on behalf of the regional center? ☐ yes ☐ no -- If yes, please explain.
8. Do you have a financial interest in any contract<sup>6</sup> with the regional center? ☐ yes ☐ no -- If yes, did you negotiate, make, execute or approve the contract on behalf of the regional center? ☐ yes ☐ no -- If yes, please explain.
9. Do any of your family members have a financial interest in any contract with the regional center? ☐ yes ☐ no  
If yes, did you negotiate, make, execute or approve the contract on behalf of the regional center? ☐ yes ☐ no  
If yes, please explain.

<sup>4</sup> Generally, a decision can financially benefit you or a family member if the decision can either directly or indirectly cause you or a family member to receive a financial gain or avoid a financial loss. For a specific description of the types of decisions that can result in a financial benefit to you or a family member see the California Code of Regulations, title 17, sections 54522 and 54527.

<sup>5</sup> California Code of Regulations, title 17, sections 54523(b)(2) and 54528(b)(2) describes the types of conduct which constitute involvement in the making of a contract.

<sup>6</sup> For purposes of questions 8 and 9, a financial interest in a contract generally means any direct or indirect interest in a contract that can cause you or a family member to receive any sort of financial gain or avoid any sort of financial loss irrespective of the dollar amount. California Code of Regulations, title 17, sections 54523 and 54528 define when financial interests in a contract will occur.

<input type="checkbox"/> Governing Board Member
<input type="checkbox"/> Vendor Advisory on Board
<input type="checkbox"/> Executive Director
<input type="checkbox"/> Employee/Other

10. Do you evaluate employment applications or contract bids that are submitted by your family member(s)?  
☐ yes ☐ no -- If yes, please explain.

11. Your job duties require you to act in the best interests of the regional center and regional center consumers. Do you have any circumstances or other financial interests not already discussed above that would prevent you from acting in the best interests of the regional center or its consumers? ☐ yes ☐ no -- If yes, please explain.

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## B. ATTESTATION

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I \_\_\_\_\_ (print name) HEREBY CONFIRM that I have read and understand the regional center's Conflict of Interest Policy and that my responses to the questions in this Conflict of Interest Reporting Statement are complete, true, and correct to the best of my information and belief. I agree that if I become aware of any information that might indicate that this statement is not accurate or that I have not complied with the regional center's Conflict of Interest Policy or the applicable conflict of interest laws, I will notify the regional center's designated individual immediately. I understand that knowingly providing false information on this Conflict of Interest Reporting Statement shall subject me to a civil penalty in an amount up to fifty thousand dollars (\$50,000) pursuant to Welfare and Institutions Code section 4626.

Signature \_\_\_\_\_ Date \_\_\_\_\_

### INTERNAL USE ONLY

Date this Statement was received by Reviewer: \_\_\_\_\_

The reporting individual ☐ does ☐ does not have a ☐ present ☐ potential conflict of interest

Signature of Designated Reviewer \_\_\_\_\_

Date Review Completed \_\_\_\_\_



## STATE COUNCIL AGENDA ITEM DETAIL SHEET

**ISSUE:** Regional Center Conflict of Interest (COI) Golden Gate Regional Center

**SUMMARY:** The Department of Developmental Services enacted emergency regulations regarding regional center conflict of interest (COI) standards and procedures. The regulations significantly change the involvement of the Council and local area boards by requiring both the Council and appropriate local area board to approve a waiver of conflict of interest not only for regional center board members, as is currently the case, but also for regional center executive directors.

On December 14, 2012, the Council received the first waiver of COI for a regional center director, James Shorter, of Golden Gate Regional Center (GGRC.)

**BACKGROUND/ISSUES/ANALYSIS:** The Department of Developmental Services enacted emergency regulations regarding regional center conflict of interest (COI) standards and procedures.

Prior to these regulations, both the Council and area board approved waivers for regional center board members (WIC 4628); however, the newly enacted regulations require that the Council and area board approve waivers for regional center executive directors in addition to board members.

Today, the Council will review the COI statement and plan submitted for review by GGRC for James Shorter, Executive Director. The facts are as follow:

1. James Shorter is the Executive Director of GGRC.
2. Mr. Shorter has a family member that is currently employed at an agency (Lifehouse, Inc.) that is vendored by GGRC. Mr. Shorter did not indicate in what capacity his family member is employed.
3. The family member's employment began on October 8, 2012 and is expected to end in less than 12 months.

4. Mr. Shorter disclosed that he “could potentially use his position to promote Lifehouse, Inc. with social workers attempting to influence the Individual Program Plan process thereby creating work for Lifehouse, Inc and for my family member....I might influence the rates paid...I could also potentially stop negative actions against Lifehouse, Inc. preventing them from losing business.”
5. Mr. Shorter proposes to withdraw himself from any decisions affecting the financial position of Lifehouse. Specifically, Mr. Shorter will be precluded from participating in any decisions involving any change in the rates of reimbursement of Lifehouse during the period of his family member’s employment. Mr. Shorter will also be precluded from participation in any decisions regarding devendorization of Lifehouse.
6. As a substitute, the Chief Financial Officer shall make the final decisions without consulting Mr. Shorter regarding the rates and vendorization of Lifehouse.

**COUNCIL STRATEGIC PLAN OBJECTIVE:** None

**PRIOR COUNCIL ACTIVITY:** The Council has reviewed the newly enacted regulations; however, has not taken any action to comment on those regulations.

Neither the Council nor any Committee has taken action on this specific waiver request. If the proposed Conflict Resolution Plan of a regional center executive director is denied by the State Council or area board in the respective area, the executive director shall have 30 calendar days to either eliminate the conflict of interest or resign his or her position. DDS can grant the executive director an extension in which to complete any actions necessary to eliminate the conflict of interest; however, DDS cannot override the decision of the Council and/or area board.

**STAFF RECOMMENDATION:** The Council should thoroughly review the attached waiver request and take action accordingly.

Also, after reviewing this waiver request, the Council should reconsider submitting input into the enacted emergency regulations.

**ATTACHMENT:** 1) J. Shorter waiver request, 2) Current Council Policy on Waivers (which does not reflect the addition of executive director review.)

**PREPARED:** Melissa Corral, December 17, 2012



# Golden Gate Regional Center

Serving people with developmental disabilities since 1966

RECEIVED

DEC 14 2012

December 3, 2012

Brian Winfield  
Regional Center Operations Section (MS 3-9)  
Department of Developmental Services  
P. O. Box 944202  
Sacramento, CA 94244-2020

Dear Mr. Winfield,

In accordance with Title 17, §54533 (d), attached is a completed Conflict of Interest Reporting Statement and a proposed Conflict Resolution Plan for James L. Shorter, Executive Director of the Golden Gate Regional Center.

Should you have any questions, I may be reached at 415 495 7634.

By copy of this letter we are advising the Area Board and the State Council.

Sincerely,

Ron Fell, Chair  
Board of Directors

jkl

Enclosure

c: Roberta Newton, Acting Director, SCDD w/encl  
Denis Craig, Acting Director, Area Board 5 w/encl

[www.ggrc.org](http://www.ggrc.org)

875 Stevenson St., 6th Floor  
San Francisco, CA 94103  
(415) 546-9222

3130 La Selva St., Ste 202  
San Mateo, CA 94403  
(650) 574-9232

5725 Paradise Dr., Bldg. A Ste 100  
Corte Madera, CA 94925  
(415) 945-1600

**Conflict Resolution Plan:** Executive Director's Conflict of Interest as described in the attached Conflict of Interest Statement

**(1) Nature of the conflict of interest:**

See Conflict of Interest Statement.

**(2) Type of Interest:**

See Conflict of Interest Statement.

**(3) Actions to be taken, including necessary timeframes, to eliminate, mitigate and manage the conflict:**

The Executive Director shall be precluded from any decisions affecting the financial position of Lifehouse, Inc. Specifically, the Executive Director is precluded from participating in any decisions involving any change in the rates of reimbursement of Lifehouse, Inc. during the period of his family member's employment as increasing rates would potentially make more resources available for the hiring of staff and reducing rates would create pressure to hire less-costly staff (like the Executive Director's family member). The Executive Director shall also be precluded from participation in any decisions regarding devendorization of Lifehouse, Inc. as this would negatively impact the interests of his adult child whose part-time work may depend upon the vendor status.

**(4) Monitoring Mechanisms:**

The Chief Financial Officer shall make final decisions without consultation with the Executive Director regarding vendorization and rates for Lifehouse, Inc. The Chair of the Finance Committee of the Golden Gate Regional Center Board of Directors will review any decisions regarding the Lifehouse, Inc. regarding vendorization and rates to assure that the Executive Director has not been involved in the decisions.



Ron Fell, Chair, GGRC Board of Directors

Upon motion of the Golden Gate Regional Center Board of Directors in Executive Session on November 20, 2012.



James L. Shorter, GGRC Executive Director



**CONFLICT OF INTEREST REPORTING STATEMENT**  
**DS 6016 (New 08/2012)**

The duties and responsibilities of your position with the regional center require you to file this Conflict of Interest Reporting Statement. The purpose of this statement is to assist you, the regional center and the Department of Developmental Services (DDS) to identify any relationships, positions or circumstances involving you which may create a conflict of interest between your regional center duties and obligations, and any other financial interests and/or relationships that you may have. In order to be comprehensive, this reporting statement requires you to provide information with respect to your financial interests.

A "conflict of interest" generally exists if you have one or more personal, business, or financial interests, or relationships that would cause a reasonable person with knowledge of the relevant facts to question your impartiality with respect to your regional center duties. The specific circumstances and relationships which create a conflict of interest are set forth in the California Code of Regulations, title 17, sections 54500 through 54530. You should review these provisions to understand the specific financial interests and relationships that can create a conflict of interest.

Please answer the following questions to the best of your knowledge. If you find a question requires further explanation and/or there is not enough space to thoroughly answer the question, please attach as many additional sheets as necessary, and refer to the question number next to your answer. If the regional center identifies a conflict involving you, it will be required to prepare a conflict resolution plan. Some relevant definitions have been provided in the footnotes to assist you in responding to this statement.

You are required to file this Reporting Statement within 30 days of beginning your employment with the regional center or from the date that you are appointed to the regional center board or advisory committee board. You are then required to file an annual Reporting Statement by August 1st of every year while you remain employed with the regional center or while you are a member of the regional center board or advisory committee board. You must also file a Reporting Statement within 30 days of any change in your status that could result in a conflict of interest. Circumstances that can constitute a change in your status that can require you to file an updated Reporting Statement are described below in footnote one.

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**A. INFORMATION OF REPORTING INDIVIDUAL**

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Name: James L. Shorter Regional Center: Golden Gate Regional Center

Regional Center Position/Title: ☐ Governing Board Member ☒ Executive Director  
☐ Vendor Advisory Committee sitting on Board ☐ Employee  
☐ Contractor ☐ Agent ☐ Consultant

Reporting Status: ☐ Annual ☐ New Appointment (date): \_\_\_\_\_  
☒ Change of Status<sup>1</sup>

If a change in status, date and circumstance of change in status:

I have an adult child who has accepted employment with a GGRC provider agency to become an employee. This creates a financial interest per Title 17 Section 54522.

1. Please list your job title and describe your job duties at the regional center.

Executive Director. Job description attached.

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<sup>1</sup> Change of status includes reporting a previously unreported activity that should have been reported, change in the circumstance of a previously reported activity, change in financial interest, familial relationship, legal commitment, change in regional center position or duties, or change to outside position or duties. See California Code of Regulations, title 17, sections 54531(d) and 54532(d).

<input type="checkbox"/> Governing Board Member
<input type="checkbox"/> Vendor Advisory on Board
<input checked="" type="checkbox"/> Executive Director
<input type="checkbox"/> Employee/Other

2. Do you or a family member<sup>2</sup> work for any entity or organization that is a regional center provider or contractor?  
☒ yes ☐ no -- If yes, provide the name of the entity or organization and describe what services it provides for the regional center or regional center consumers. If the provider or contractor is a state or local entity, provide the specific name of the state or local entity and describe your job duties at the state or local entity.

Employment of Executive Director's family member began October 8, 2012. The provider is Lifehouse, Inc. Attached please find a description of vendored services. Employment is expected to end in less than 12 months.

3. Do you or a family member own or hold a position<sup>3</sup> in an entity or organization that is a regional center provider or contractor? ☒ yes ☐ no -- If yes, provide the name of the entity or organization, describe what services it provides for the regional center or regional center consumers, and describe your or your family member's financial interest.

The Executive Director's adult family member is an hourly employee of Lifehouse, Inc. Attached please find a description of vendored services.

4. Are you a regional center advisory committee board member? ☐ yes ☒ no -- If yes, are you a member of the governing board or owner or employee of an entity or organization that provides services to the regional center or regional center consumers? ☐ yes ☐ no -- If yes, provide the name of the entity or organization and describe what services it provides for the regional center or regional center consumers.

5. If you are a regional center advisory committee board member and answered yes to all the questions in Question 4 above, do any of the following apply to you: (a) are you an officer of the regional center board; (b) do you vote on purchasing services from a regional center provider; or (c) do you vote on matters where you might have a financial interest? ☐ yes ☐ no -- If yes, please explain.

<sup>2</sup> Family member includes your spouse, domestic partner, parents, stepparents, grandparents, siblings, stepsiblings, children, stepchildren, grandchildren, and in-laws. See California Code of Regulations, title 17, sections 54505(f).

<sup>3</sup> For purposes of this question, hold a position generally means that you or a family member is a director, officer, owner, partner, employee, or shareholder of an entity or organization that is a regional center provider or contractor. For a specific description of positions that create a conflict of interest in a regional center provider or contractor see the California Code of Regulations, title 17, sections 54520 and 54526.

- |  |
|--|
| <input type="checkbox"/> Governing Board Member        |
| <input type="checkbox"/> Vendor Advisory on Board      |
| <input checked="" type="checkbox"/> Executive Director |
| <input type="checkbox"/> Employee/Other                |

6. Do any of the decisions you make when performing your job duties with the regional center have the potential to financially benefit you or a family member<sup>4</sup>? ☒ yes ☐ no -- If yes, please explain.

I could potentially use my position to promote Lifehouse, Inc. with social workers attempting to influence the Individual Program Plan process thereby creating work for Lifehouse, Inc. and for my family member. Where Lifehouse, Inc. may provide services not already regulated by DDS with respect to rates, I might influence the rates paid. I could also potentially stop negative actions against Lifehouse, Inc. preventing them from losing business and preventing the layoff of my family member.

7. Are you responsible for negotiating, making,<sup>5</sup> executing or approving contracts on behalf of the regional center? ☒ yes ☐ no -- If yes, please explain.

See job description attached. Normally such responsibilities would be delegated.

8. Do you have a financial interest in any contract<sup>6</sup> with the regional center? ☒ yes ☐ no -- If yes, did you negotiate, make, execute or approve the contract on behalf of the regional center? ☐ yes ☒ no -- If yes, please explain.

As defined in the Emergency Regulations, I will have a financial interest in the IPP "contracts" and the vendorization "contract" with Lifehouse, Inc.

9. Do any of your family members have a financial interest in any contract with the regional center? ☒ yes ☐ no  
If yes, did you negotiate, make, execute or approve the contract on behalf of the regional center? ☐ yes ☒ no  
If yes, please explain.

As defined in the Emergency Regulations, my adult family member has a financial interest in the IPP "contracts" and the vendorization "contract" with Lifehouse, Inc.

<sup>4</sup> Generally, a decision can financially benefit you or a family member if the decision can either directly or indirectly cause you or a family member to receive a financial gain or avoid a financial loss. For a specific description of the types of decisions that can result in a financial benefit to you or a family member see the California Code of Regulations, title 17, sections 54522 and 54527.

<sup>5</sup> California Code of Regulations, title 17, sections 54523(b)(2) and 54528(b)(2) describes the types of conduct which constitute involvement in the making of a contract.

<sup>6</sup> For purposes of questions 8 and 9, a financial interest in a contract generally means any direct or indirect interest in a contract that can cause you or a family member to receive any sort of financial gain or avoid any sort of financial loss irrespective of the dollar amount. California Code of Regulations, title 17, sections 54523 and 54528 define when financial interests in a contract will occur.

<input type="checkbox"/> Governing Board Member
<input type="checkbox"/> Vendor Advisory on Board
<input checked="" type="checkbox"/> Executive Director
<input type="checkbox"/> Employee/Other


10. Do you evaluate employment applications or contract bids that are submitted by your family member(s)?  
☐ yes ☒ no -- If yes, please explain.

11. Your job duties require you to act in the best interests of the regional center and regional center consumers. Do you have any circumstances or other financial interests not already discussed above that would prevent you from acting in the best interests of the regional center or its consumers? ☒ yes ☐ no -- If yes, please explain.

There are circumstances where I am obligated by contract or agreement with the state to promote or protect the interests of the state where such actions may neither be consistent with the regional center's purposes nor in the best interests of people served by the regional center.

## B. ATTESTATION

I, James L. Shorter (print name) HEREBY CONFIRM that I have read and understand the regional center's Conflict of Interest Policy and that my responses to the questions in this Conflict of Interest Reporting Statement are complete, true, and correct to the best of my information and belief. I agree that if I become aware of any information that might indicate that this statement is not accurate or that I have not complied with the regional center's Conflict of Interest Policy or the applicable conflict of interest laws, I will notify the regional center's designated individual immediately. I understand that knowingly providing false information on this Conflict of Interest Reporting Statement shall subject me to a civil penalty in an amount up to fifty thousand dollars (\$50,000) pursuant to Welfare and Institutions Code section 4626.

Signature  Date 11/20/2012

### INTERNAL USE ONLY

Date this Statement was received by Reviewer:

The reporting individual ☐ does ☐ does not have a ☐ present ☐ potential conflict of interest

Signature of Designated Reviewer

Date Review Completed





# Golden Gate Regional Center

Serving people with developmental disabilities since 1966

<b>Position Title:</b>	Executive Director
<b>Department:</b>	n/a
<b>Reports To:</b>	GGRC Board of Directors
<b>Work Hours:</b>	40 hours/week
<b>Primary Work Location(s):</b>	San Francisco Office
<b>Travel Required:</b>	Travel within California to attend trainings or meetings essential to accomplishing the responsibilities of the position

## Summary:

- ♦ To develop and oversee the vision, mission, values and strategic plan of GGRC and ensure alignment of this with the operations and programs of Golden Gate Regional Center; maintain implementation in accordance with applicable law, the contract with the Department of Developmental Services, and the direction of the GGRC Board.

## Responsibilities:

♦ Supervisory:		
	# Employees Supervised Directly	# Employees Supervised through Subordinates
Management, Supervisory or Professional/ Technical	5	to be filled in
Support Staff (Secretarial, Clerical, etc.)	1	to be filled in
Percentage of time spent performing the same work tasks as the individuals supervised	10%	

## Mission Implementation

- ♦ Define mission in collaboration with key stakeholders and effectively communicate the mission
- ♦ Create clear strategic plan with yearly goals and outcomes
- ♦ Drive the mission of the regional center by being a role-model and by providing clear directives in day to day activities and long term planning

## Fiscal Management

- ♦ Provide for the appropriate control and accountability of all funds, physical assets and other property
- ♦ Oversee operational systems that ensure fiduciary accountability for all funds received by the regional center
- ♦ Assure cooperation with our independent audit

## State Government Relations/Contract Administration

- ♦ Ensure regional center compliance with the provisions of the contract with the State Department of Developmental Services (DDS)
- ♦ Serve as principal liaison to DDS
- ♦ Develop and administer performance contract with DDS that is meaningful and reflects the priorities of GGRC
- ♦ Review and prepare various technical, narrative and statistical reports and summaries
- ♦ Interpret DDS directives and direct regional center personnel in accordance with such directives
- ♦ Develop and maintain a thorough knowledge of national and state events, trends, values, etc. that may impact the DD system and/or the operation of the regional center

## Management/Team Building

- ♦ Provide organizational guidance and leadership
- ♦ Serve as a visible, accessible leader
- ♦ Ensure strong staff of chiefs/directors is in place; provide coaching and mentorship
- ♦ Set overall Agency goals and individual directives to department heads to ensure effective implementation of initiatives, plans and policies
- ♦ Ensure quality and systems alignment to drive client outcomes
- ♦ Facilitate collaboration and information sharing across functions and practices
- ♦ Establish practices and policies that create a positive organizational climate and demonstrated commitment to staff

## Community/Provider Relations

- ♦ Act as a representative for the regional center in the community and at the local, state and national level
- ♦ Develop and maintain a positive public image of the regional center in the community; create change that will increase community awareness and acceptance of individuals with developmental disabilities
- ♦ Seek out and identify input from the community; address issues/concerns
- ♦ Act as a liaison to other health and human service agencies, public agencies, and governmental agencies, on the local, state and national level, build relationships within the community and within the larger state system

- ♦ Maintain all client information as confidential in compliance with the federal Health Insurance Portability and Accountability Act of 1996 (HIPAA) and the California Lanterman Act

#### **Board Relations**

- ♦ Provide advice, counsel and information to the GGRC Board in order to assist them in setting policy and in monitoring the performance of the regional center
- ♦ Keep the Board informed of GGRC activities, strategic decisions and performance outcomes
- ♦ Represent the GGRC Board and serve as principal liaison between the Board and staff, client population, community, state and local governments
- ♦ Execute Board policies and decisions that align with legal policy and state mandate

#### **Personnel Administration**

- ♦ Ensure the development and implementation of a comprehensive personnel system, including policies, procedures, practices, compensation plans, recruitment and selection efforts, performance appraisal practices, staff development, affirmative action, and other personnel activities

#### **Quality Assurance**

- ♦ Ensure the establishment of policies and operational procedures that provide for the protection of the health and safety of consumers and assess the effectiveness of services provided
- ♦ Ensure the implementation of procedures to gather data on family/consumer satisfaction

#### **Resource Development**

- ♦ Oversee the establishment and maintenance of mechanisms for identifying unmet needs and developing resources to meet these needs; invest in technology and systems to meet evolving client needs and increase efficiencies

### **Required Qualifications:**

#### **Education/Training:**

- ♦ Bachelor's degree in a field of business, human services, health, or administration

#### **Experience:**

- ♦ 5+ years work in an upper level management and/or executive/top tier administrative capacity with budgetary oversight in a health or social service-related field

#### **Skills:**

- ♦ Knowledge of the principles, practices, and techniques of administration, management and supervision of a professional staff including finance, operations, HR, legal, quality, technology, organizational development, etc.
- ♦ Thorough knowledge of state system politics, legislation and procedures
- ♦ Excellent written, oral, and presentation skills; facility with public speaking
- ♦ Basic computer skills and familiarity with popular software applications

#### **Competency Traits:**

- ♦ Lead team in reaching client outcomes and in the effective management and operations of the Agency; follow up with direct staff/project leader at key phases to provide feedback and ensure deadlines are being met
- ♦ Create energy around and understanding of the agency mission; provide team with direction and purpose focused on client outcomes, values and quality service standards
- ♦ Balance mission and legal mandates to ensure continued service provision and on-going operations of Agency
- ♦ Think strategically; develop innovative, new concepts and create strategies to drive agency mission
- ♦ Demonstrate flexibility; adapt and adjust views/approaches and refocus the strategic plan as needed
- ♦ Think critically in decision making and problem solving; actively explore the pros and cons of options that will impact the Agency as a whole; identify problems and quickly and/or effectively resolve them
- ♦ Use insight and understanding of individual/audience to persuade them to 'get on board' with a particular initiative
- ♦ Make self accessible to direct staff to provide information, make decisions, and provide real-time feedback ensuring the continued, timely flow of operations; make self accessible, as appropriate to GGRC employees
- ♦ Communicate open and directly with staff
- ♦ Build partnerships and trust through collaboration, active listening and an openness to new ideas
- ♦ Involve employees at all levels and across all functions when gathering input; bring together Agency and community stakeholders that will be affected by a decision or project to help shape it and build sense of ownership
- ♦ Empower staff based on assessment of ability
- ♦ Address performance issues; hold people accountable as needed and reward as appropriate
- ♦ Demonstrate respect and cultural awareness; effectively manage own reactions
- ♦ Value and communicate that all levels of organization impact clients' lives

### **Desired Qualifications:**

- ♦ Master's degree in a field of business, human services, health, or administration
- ♦ Experience with the Developmentally Disabled population
- ♦ Experience in multi-cultural settings and/or multi-lingual capacity

Lifeshouse Vendor#	Vendor Name	Service code	Service Category	Ratio if applicable
PG0371	Lifeshouse	55	Community Integration Training	1 to 1
PG0371	Lifeshouse	62	Personal Assistance	1 to 1
PG0371	Lifeshouse	91	In Home Day Program	
H89149	Lifeshouse-Nova House	109	Supplemental Residential Program Support	1 to 1
P19145	Lifeshouse-Adaptive Skills Trainer	605	Adaptive Skills Trainer	
H19653	Lifeshouse-Independent Living Program	520	Independent Living Program	
H19653	Lifeshouse-Independent Living Program	896	Supported Living	
H00962	Lifeshouse-Laurel Place	915	Residential Facility	
H00962	Lifeshouse-Laurel Place	868	Out of Home Respite	
H05457	Lifeshouse-Marin House Fairfax	915	Residential Facility	
H12102	Lifeshouse-Sunrise II	930	Intermediate Care Facility	
H88905	Lifeshouse-Supervised Apt Program #3	896	Supported Living	
H12432	Lifeshouse-Supervised Apt Program #1	896	Supported Living	
H88796	Lifeshouse-Supported Living #2	896	Supported Living	



## EXECUTIVE COMMITTEE AGENDA ITEM DETAIL SHEET

**ISSUE:** Regional Center Conflict of Interest (COI) Inland Regional Center

**SUMMARY:** The Department of Developmental Services enacted emergency regulations regarding regional center conflict of interest (COI) standards and procedures. The regulations significantly change the involvement of the Council and local area boards by requiring both the Council and appropriate local area board to approve a waiver of conflict of interest not only for regional center board members, as is currently the case, but also for regional center executive directors.

On January 22, 2013, the Council received a COI for a regional center board member, Jack J. Padilla, of Inland Regional Center (IRC.)

**BACKGROUND/ISSUES/ANALYSIS:** The Department of Developmental Services enacted emergency regulations regarding regional center conflict of interest (COI) standards and procedures.

Prior to these regulations, both the Council and area board approved waivers for regional center board members (WIC 4628); however, the newly enacted regulations require that the Council and area board approve waivers for regional center executive directors in addition to board members.

Today, the Executive Committee will review the COI statement and plan submitted for Jack J. Padilla. The facts are as follow:

1. Jack J. Padilla is a member of the Inland Regional Center.
2. Mr. Padilla has an adult daughter who is a registered nurse who works "on-call" for a vendor of the regional center (Braswells Hampton Manor, sic.)
3. Mr. Padilla will abstain from voting on any financial matters that benefit or have impact on his daughter's financial return if working for current vendor of IRC.

**COUNCIL STRATEGIC PLAN OBJECTIVE:** None

**PRIOR COUNCIL ACTIVITY:** The Council has reviewed the newly enacted regulations; however, has not taken any action to comment on those regulations.

Neither the Council nor any Committee has taken action on this specific waiver request. If the proposed Conflict Resolution Plan of a regional center executive director is denied by the State Council or area board in the respective area, the executive director shall have 30 calendar days to either eliminate the conflict of interest or resign his or her position. DDS can grant the executive director an extension in which to complete any actions necessary to eliminate the conflict of interest; however, DDS cannot override the decision of the Council and/or area board.

**STAFF RECOMMENDATION:** The Council should thoroughly review the attached waiver request and take action accordingly.

Also, after reviewing this waiver request, the Council should reconsider submitting input into the enacted emergency regulations.

**ATTACHMENT:** 1) Padilla Waiver request, 2) Current Council Policy on Waivers (which does not reflect the addition of executive director review.)

**PREPARED:** Melissa C. Corral, January 25, 2013



# INLAND REGIONAL CENTER

...valuing independence, inclusion and empowerment

P. O. Box 19037, San Bernardino, CA 92423

Telephone: (909) 890-3000

Fax: (909) 890-3001

January 15, 2013

Brian Winfield, Regional Center Operations  
Department of Developmental Services  
1600 Ninth Street  
Sacramento, CA 95814



Dear Mr. Winfield:

This correspondence is to request a waiver for Jack J. Padilla to continue to serve with Inland Counties Regional Center, Inc. Board of Trustees as stated in California Code of Regulations Title 17, 54533. A completed Conflict of Interest Reporting Statement and a proposed Conflict of Interest Resolution Plan is attached for review and approval.

Board of Trustees is requesting that this waiver be acknowledged and approved. Mr. Padilla is a valuable member of the board, represents Riverside County and the Hispanic population served by the regional center. He brings a depth of understanding regarding the services and responsibilities of the regional center that is very critical and helpful to the board.

If there are any additional questions or need for clarification, please feel free to contact me or Carol Fitzgibbons, Executive Director.

IRC is notifying the State Council on Developmental Disabilities and Area Board 12.

Sincerely,

Drew Cutler, MD  
President, Board of Trustees

Copy: Roberta Newton, Acting Director, SCDD w/ enclosure  
Vicki Smith, Director, Area Board 12 w/enclosure  
Allan Smith, DDS  
Carol Fitzgibbons, Executive Director

INLANDCOUNTIES REGIONAL CENTER, INC.

CONFLICT OF INTEREST RESOLUTION PLAN:

Conflict of Interest is described in the attached statement

1. Nature of Conflict of Interest:

- a. Mr. Padilla disclosed his potential conflict of interest as outlined on both IRC and DDS's forms used for annual Conflict of Interest Reporting Statement (see attached).

2. Type of Interest:

- a. See attached

3. Actions to be taken, including necessary timeframes, to eliminate, mitigate, and manage the conflict:

Mr. Padilla's daughter is a registered nurse and is listed on a registry that supports several of the IRC vendors.

ICRC, Board of Trustees is fully aware of this potential conflict and Mr. Padilla has agreed to abstain from voting on any decisions affecting the financial position of an IRC provider. This will include those matters related to rates of reimbursement paid to providers, changes in vendorization due to the state of business of the registry and/or providers up to and including de-vendorization, during the period of time that his daughter is listed on the Registered Nurses' registry and the potential for her to gain benefit based on his vote.

Further, Mr. Padilla has agreed not to discuss with his daughter these matters during any preliminary period of discussion prior to final decision/s. This would include those matters that could influence the financial support paid by the type of vendor where Mr. Padilla's daughter may have the opportunity to work in an on-call capacity.

4. Monitoring Mechanism:

Director, Financial Services shall not include Mr. Padilla in final decisions regarding rates of reimbursement or business/vendorization status regarding vendors where his daughter may have an opportunity to work. Chair of the Business Committee of the Board of Trustees will review any decisions regarding the vendorization and rates to assure that Mr. Padilla has not been involved in the decisions.

The minutes of the board action/s will record Mr. Padilla's abstention from voting as necessary.

  
\_\_\_\_\_  
President, Board of Trustees

Board of Trustees advised and accepted the Conflict of Interest statement.

  
\_\_\_\_\_  
President

1/14/13  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Date

JANUARY 9, 2013

1.2.4 Agency Policies (Continued)

1.2.4(v) Policy on Conflict of Interest for Board of Trustees

INLAND REGIONAL CENTER

**BOARD OF TRUSTEES CONFLICT OF INTEREST DECLARATION**

I, Jack J. Padilla am a member of the Board of Trustees of the INLAND REGIONAL CENTER. I hereby declare that:

I. I have read and I understand the Conflict of Interest Standards Statement attached hereto.

II. I have reviewed my current situation in view of the Conflict of Interest for Members of the Board of Trustees and have determined the following: (Place a check mark next to the applicable lettered subparagraph below.)

A. ☒ I have no present or potential, direct or indirect financial interest or activity which may place me in a position which may be described as inimical to, conflicting with or inconsistent with my duties, functions and responsibilities at the Inland Regional Center.

B. ☐ I have a conflict of interest, which currently exists.

C. ☒ I have a potential conflict of interest based upon circumstances reasonably expected to occur in the future which may result in a conflict of interest.

III. If either subparagraph B or subparagraph C in Paragraph II, above, has been checked, describe completely the nature of the conflict of interest or potential conflict of interest: (Please attach additional pages as needed.)

my adult daughter is a Registered Nurse. This might be a conflict according to you.

IV. I understand that if either subparagraph B or subparagraph C of Paragraph II above has been checked, I may request a waiver of the conflict of interest or potential conflict of interest described above. I also understand that if either said subparagraph B or said subparagraph C has been checked, or I do not request a waiver or my request for waiver is denied, my capacity as a member of the Board of Trustees cannot continue unless I eliminate the conflict of interest or potential conflict of interest.

A. I do ☒/do not ☐ request a waiver of the conflict of interest or potential conflict of interest described above.

B. (To be answered if a waiver is requested) I suggest the following plan of action the resolution of the present or potential conflict of interest described above, which plan of action includes limitations on me which will enable me to avoid actions involving the conflict

September 1, 2005/reviewed no changes July 1, 2010/reviewed March 14, 2011/reviewed and updated September 12, 2011

1.2.4 Agency Policies (Continued)

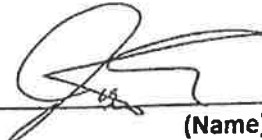
1.2.4(v) Policy on Conflict of Interest for Board of Trustees

of interest during the period of time in which my waiver request is being reviewed pursuant to Section 54523 of Title 17 of the California Code of Regulations: (Please attach additional pages as needed.)

- Mr. Padilla understands he will abstain from voting on any financial or political matter that may have an impact on his daughter's financial future if working for Inland Regional Center.*
- V. I shall bring any future conflict of interest or potential conflict of interest which may arise during my relationship with the INLAND REGIONAL CENTER to the immediate attention of the Board of Trustees and to the attention of the person designated by the Board of Trustees to review such conflicts. I understand that the Department of Developmental Services, the Area Board and the State Council must approve any request for waiver of a conflict of interest or potential conflict of interest by a member of the Board of Trustees. I further understand that I may be fined up to \$50,000 if I knowingly misstate a conflict of interest or potential conflict of interest.

I DECLARE UNDER PENALTY OF PERJURY that the foregoing is true and correct.

Executed at Inland Regional Center, California, this 9 day of July, 2012.

  
(Name)

September 1, 2005/reviewed no changes July 1, 2010/reviewed March 14, 2011/reviewed and updated September 12, 2011

## CONFLICT OF INTEREST REPORTING STATEMENT

### DS 6016 (New 08/2012)

The duties and responsibilities of your position with the regional center require you to file this Conflict of Interest Reporting Statement. The purpose of this statement is to assist you, the regional center and the Department of Developmental Services (DDS) to identify any relationships, positions or circumstances involving you which may create a conflict of interest between your regional center duties and obligations, and any other financial interests and/or relationships that you may have. In order to be comprehensive, this reporting statement requires you to provide information with respect to your financial interests.

A "conflict of interest" generally exists if you have one or more personal, business, or financial interests, or relationships that would cause a reasonable person with knowledge of the relevant facts to question your impartiality with respect to your regional center duties. The specific circumstances and relationships which create a conflict of interest are set forth in the California Code of Regulations, title 17, sections 54500 through 54530. You should review these provisions to understand the specific financial interests and relationships that can create a conflict of interest.

Please answer the following questions to the best of your knowledge. If you find a question requires further explanation and/or there is not enough space to thoroughly answer the question, please attach as many additional sheets as necessary, and refer to the question number next to your answer. If the regional center identifies a conflict involving you, it will be required to prepare a conflict resolution plan. Some relevant definitions have been provided in the footnotes to assist you in responding to this statement.

You are required to file this Reporting Statement within 30 days of beginning your employment with the regional center or from the date that you are appointed to the regional center board or advisory committee board. You are then required to file an annual Reporting Statement by August 1st of every year while you remain employed with the regional center or while you are a member of the regional center board or advisory committee board. You must also file a Reporting Statement within 30 days of any change in your status that could result in a conflict of interest. Circumstances that can constitute a change in your status that can require you to file an updated Reporting Statement are described below in footnote one.

#### A. INFORMATION OF REPORTING INDIVIDUAL

Name: Jack J. Padilla Regional Center: Inland Regional

Regional Center Position/Title: ☒ Governing Board Member ☐ Executive Director  
☐ Vendor Advisory Committee sitting on Board ☐ Employee  
☐ Contractor ☐ Agent ☐ Consultant

Reporting Status: ☐ Annual ☐ New Appointment (date): \_\_\_\_\_  
☒ Change of Status<sup>1</sup>

If a change in status, date and circumstance of change in status:

September, 2012 - daughter is an on-call nurse for a local vendor of IRC.

1. Please list your job title and describe your job duties at the regional center.

Board Member - Finance  
Retired

<sup>1</sup> Change of status includes reporting a previously unreported activity that should have been reported, change in the circumstance of a previously reported activity, change in financial interest, familial relationship, legal commitment, change in regional center position or duties, or change to outside position or duties. See California Code of Regulations, title 17, sections 54531(d) and 54532(d).



- |  |
|--|
| <input type="checkbox"/> Governing Board Member<br><input type="checkbox"/> Vendor Advisory on Board<br><input type="checkbox"/> Executive Director<br><input type="checkbox"/> Employee/Other |
|--|

2. Do you or a family member<sup>2</sup> work for any entity or organization that is a regional center provider or contractor?  
☒ yes ☐ no -- If yes, provide the name of the entity or organization and describe what services it provides for the regional center or regional center consumers. If the provider or contractor is a state or local entity, provide the specific name of the state or local entity and describe your job duties at the state or local entity.

*Braswell Hampton Manor —*  
*Adult Daughter*

3. Do you or a family member own or hold a position<sup>3</sup> in an entity or organization that is a regional center provider or contractor? ☒ yes ☐ no -- If yes, provide the name of the entity or organization, describe what services it provides for the regional center or regional center consumers, and describe your or your family member's financial interest.

*On - Call R.N.*

4. Are you a regional center advisory committee board member? ☐ yes ☒ no -- If yes, are you a member of the governing board or owner or employee of an entity or organization that provides services to the regional center or regional center consumers? ☐ yes ☐ no -- If yes, provide the name of the entity or organization and describe what services it provides for the regional center or regional center consumers.

5. If you are a regional center advisory committee board member and answered yes to all the questions in Question 4 above, do any of the following apply to you: (a) are you an officer of the regional center board; (b) do you vote on purchasing services from a regional center provider; or (c) do you vote on matters where you might have a financial interest? ☐ yes ☒ no -- If yes, please explain.

<sup>2</sup> Family member includes your spouse, domestic partner, parents, stepparents, grandparents, siblings, stepsiblings, children, stepchildren, grandchildren, and in-laws. See California Code of Regulations, title 17, sections 54505(f).

<sup>3</sup> For purposes of this question, hold a position generally means that you or a family member is a director, officer, owner, partner, employee, or shareholder of an entity or organization that is a regional center provider or contractor. For a specific description of positions that create a conflict of interest in a regional center provider or contractor see the California Code of Regulations, title 17, sections 54520 and 54526.

<input type="checkbox"/> Governing Board Member
<input type="checkbox"/> Vendor Advisory on Board
<input type="checkbox"/> Executive Director
<input type="checkbox"/> Employee/Other

6. Do any of the decisions you make when performing your job duties with the regional center have the potential to financially benefit you or a family member<sup>4</sup>? ☐ yes ☒ no -- If yes, please explain.

7. Are you responsible for negotiating, making,<sup>5</sup> executing or approving contracts on behalf of the regional center? ☐ yes ☒ no -- If yes, please explain.

8. Do you have a financial interest in any contract<sup>6</sup> with the regional center? ☐ yes ☒ no -- If yes, did you negotiate, make, execute or approve the contract on behalf of the regional center? ☐ yes ☒ no -- If yes, please explain.

9. Do any of your family members have a financial interest in any contract with the regional center? ☐ yes ☒ no  
If yes, did you negotiate, make, execute or approve the contract on behalf of the regional center? ☐ yes ☐ no  
If yes, please explain.

<sup>4</sup> Generally, a decision can financially benefit you or a family member if the decision can either directly or indirectly cause you or a family member to receive a financial gain or avoid a financial loss. For a specific description of the types of decisions that can result in a financial benefit to you or a family member see the California Code of Regulations, title 17, sections 54522 and 54527.

<sup>5</sup> California Code of Regulations, title 17, sections 54523(b)(2) and 54528(b)(2) describes the types of conduct which constitute involvement in the making of a contract.

<sup>6</sup> For purposes of questions 8 and 9, a financial interest in a contract generally means any direct or indirect interest in a contract that can cause you or a family member to receive any sort of financial gain or avoid any sort of financial loss irrespective of the dollar amount. California Code of Regulations, title 17, sections 54523 and 54528 define when financial interests in a contract will occur.

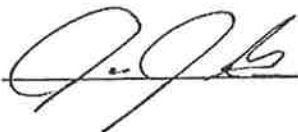
- ☐ Governing Board Member
- ☐ Vendor Advisory on Board
- ☐ Executive Director
- ☐ Employee/Other


10. Do you evaluate employment applications or contract bids that are submitted by your family member(s)?  
☐ yes ☒ no – If yes, please explain.

11. Your job duties require you to act in the best interests of the regional center and regional center consumers. Do you have any circumstances or other financial interests not already discussed above that would prevent you from acting in the best interests of the regional center or its consumers? ☐ yes ☒ no -- If yes, please explain.

## B. ATTESTATION

I JACK Padilla (print name) HEREBY CONFIRM that I have read and understand the regional center's Conflict of Interest Policy and that my responses to the questions in this Conflict of Interest Reporting Statement are complete, true, and correct to the best of my information and belief. I agree that if I become aware of any information that might indicate that this statement is not accurate or that I have not complied with the regional center's Conflict of Interest Policy or the applicable conflict of interest laws, I will notify the regional center's designated individual immediately. I understand that knowingly providing false information on this Conflict of Interest Reporting Statement shall subject me to a civil penalty in an amount up to fifty thousand dollars (\$50,000) pursuant to Welfare and Institutions Code section 4626.

Signature  Date 10-9-2012

INTERNAL USE ONLY	
Date this Statement was received by Reviewer:	
The reporting individual <input type="checkbox"/> does <input type="checkbox"/> does not have a <input type="checkbox"/> present <input type="checkbox"/> potential conflict of interest	
Signature of Designated Reviewer	Date Review Completed
<u></u>	

**DATE: SEPTEMBER 2011**

**TO: ALL AREA BOARDS**

**FROM: STATE COUNCIL ON DEVELOPMENTAL DISABILITIES**

**RE: REGIONAL CENTER REQUESTS FOR WAIVER OF CONFLICT OF INTEREST CRITERIA PROCESS**

---

### **BACKGROUND**

The purpose of these procedures is to establish consistent evaluation criteria and process of requests for waivers in accordance with Welfare and Institutions Code Sections 4622 *et seq.* and Title 17 Section 54520. These procedures shall be used by the California State Council on Developmental Disabilities (Council) and local area boards.

\*These procedures may be revised in accordance with imminent regulatory changes.

#### **A. Regional Center Conflict of Interest Policy**

The establishment and implementation of a conflict of interest policy and reporting process for regional centers (RC) is intended to minimize, if not eliminate, the occurrence of conflicts of interest in certain settings. This seeks to ensure that the RC board members act in the course of their duties solely in the best interest of the consumers and their families without regard to the interest of any other organization with which they are associated.

Each RC shall submit a conflict-of-interest policy to the Department of Developmental Services (DDS) by July 1, 2011, and shall post the policy on its Internet Web site by August 1, 2011. The policy shall do, or comply with, all of the following:

1. Be consistent with applicable law.
2. Define conflicts of interest.
3. Identify positions within the regional center required to complete and file a conflict-of-interest statement.
4. Facilitate disclosure of information to identify conflicts of interest.

5. Require candidates for nomination, election, or appointment to a RC board, and applicants for RC director to disclose any potential or present conflicts of interest prior to being appointed, elected, or confirmed for hire by the RC or RC governing board.
6. Require the RC and its governing board to regularly and consistently monitor and enforce compliance with its conflict-of-interest policy.

## **B. Conflict of Interest Reporting**

Welfare and Institutions Code Section 4626(e-l) sets the process for reporting conflicts of interest. The reporting process is:

1. DDS is responsible for developing a Conflict of Interest Reporting Statement (Statement.)
2. The Statement shall be completed by each RC governing board member and executive director within 30 days of selection, appointment or election and annually thereafter. A Statement must also be completed upon any change in the status of the board member or executive director that creates a potential or present conflict of interest.
3. DDS and the appropriate RC governing board shall review the Statements of each board member and the executive director to ensure that no conflicts of interest exist; however, if a present or potential conflict of interest is identified for a board member or executive director that cannot be eliminated, the RC governing board shall submit to DDS and the Council, a copy of the Statement and a plan that proposes mitigation measures within 30 days (including timeframes and actions that the governing board or individual will take to mitigate the conflict of interest.)

The submission of this Statement and mitigation plan is not considered a request for waiver.

## **C. Conflict of Interest Criteria**

California law outlines the criteria by which DDS evaluates conflicts arising among RC board members.

Additionally, it is expected that board members will be free from conflicts of interest that could adversely influence their judgment, objectivity or loyalty to the RC, its consumers or its mission.

Pursuant to Welfare and Institutions Code section 4626(b), no member of the governing board or member of the program policy committee of a RC shall be any of the following:

1. An employee of DDS or any State or local agency that provides service to a RC consumer, if employed in a capacity which includes administrative or policymaking responsibility, or responsibility for the regulation of the RC.
2. An employee or member of the Council or area board,
3. With the exception of a consumer advisory committee member, an employee or member of the governing board of any entity from which the RC purchases consumer services.
4. Any person who has a financial interest in RC operations, except as a consumer of RC services.

Title 17 provides additional conflict of interest criteria which may or may not encompass the criteria set forth in statute. In accordance with 17 CCR 54520, the following constitute conflicts of interest for RC board members:

5. When a member of the board or their family member is: a) a director, officer, owner, partner, shareholder, trustee or employee of any business entity or provider, b) holds any position of management in any business entity or provider or, 3) has decision or policymaking authority in such an entity or provider.
6. When the advisory committee board member is an employee or member of the governing board of a provider from which the RC purchases client services and engages in the fiscal matters. If so, this member is prohibited from serving as an officer of the RC governing board and from voting on fiscal matters or issues.
7. When a governing board member is any individual described in WIC 4626.

#### **WAIVER OF CONFLICT OF INTEREST EVALUATION PROCESS**

If there is good reason that a RC is unable to meet all of the criteria for their board, the director of DDS may waive the criteria for a period of time, not to exceed one year, with the approval of the appropriate area board and the Council in accordance with WIC 4628.

The Council/area board procedure for evaluating requests for waiver shall be:

1. When area board receives a request for a waiver, it shall be scheduled for discussion and action during the next available area board meeting.
2. When evaluating a request for waiver, the area board shall discuss and analyze the following:
  - a. Does the RC have and utilize a public board member recruitment process? If not, what recruitment efforts were implemented with respect to the board member in question?
  - b. What specific criteria are involved in the request? Is the individual prohibited from serving based on the statute (C. 1-4 above) or regulation (C. 5-7 above) or both?
  - c. Does the proposed mitigation plan effectively address avoidance of the identified conflict of interest?
  - d. What impact will the approval/denial of the waiver have on the RC board?
  - e. Has the RC requested a wavier on behalf of the same individual before? If so, how long ago?
3. Upon evaluating the request, the area board shall take action to approve/deny the waiver request unless additional information is requested from RC.
4. Within 5 business days of taking action, the area board shall forward their analyses and action to the Council.
5. The Council shall schedule a discussion and action for the next available regular Council meeting. During the discussion, the Council shall review the area board analyses. The Council shall take action to approve/deny the waiver unless further information is requested from the area board.
6. The Council shall submit their action to DDS within 5 business days.





## **DRAFT**

### **Ad-Hoc Search Committee Thursday, January 17, 2013**

#### **Members Present**

Jorge Aguilar  
Sascha Bittner (phone)  
Lisa Davidson  
Ted Martens  
Stacey McQueen  
Kyle Minnis (phone)  
Bill Moore  
Robin Hansen  
Kashe Rowland-Smith

#### **Members Absent**

Dan Clift

#### **Others Attending**

Melissa Corral  
Szandra Keszthelyi  
Kecia Weller  
Rita Stevens, AIDD  
Matthew Wangeman, AIDD  
Tanya Anderson, AIDD  
Vicki Smith

#### **1. CALL TO ORDER**

Jorge Aguilar, Chairperson called the meeting to order at 2:10 p.m.

#### **2. ESTABLISHMENT OF QUORUM**

A quorum was established.

#### **3. WELCOME AND INTRODUCTIONS**

Jorge Aguilar welcomed everyone to the Ad-Hoc Search Committee. Members and others attending introduced themselves.

#### **4. PUBLIC COMMENT**

Jorge Aguilar asked if there were any public comments. There were no public comments.

#### **5. ACTION/DISCUSSION ITEMS**

Jorge Aguilar explained that the Ad-Hoc Search Committee was here to set the process for the selection of the SCDD Executive Director. The packet of information mailed out the Committee is a reflection of what

the process was in 2010. This process can be modified by the Ad-Hoc Search Committee. Everything in the packet is up for change, debate, and can be refined by the Committee. The purpose of this Ad-Hoc Committee is to make recommendations to the Executive Committee. Per the By-Laws the recommendation of an Executive Director must come from the Executive Committee to the full Council.

Kyle Minnis asked if the Council has given the Ad-Hoc Committee specific authorization to advertise the Executive Director position. Jorge Aguilar explained that the Council had not, this committee is to propose a process and the requirements but those may change based on input by the Executive Committee or the Council. Kyle Minnis asked if there were problems with the selection process in 2010. Jorge Aguilar stated that there were no problems.

Ted Martens asked if the Ad-Hoc Search Committee could consider having the applications sent someplace other than SCDD Personnel. Jorge Aguilar stated that the Committee can consider or recommend having applications mailed elsewhere.

Robin Hansen stated that there is a concern for not getting a rich pool of applicants. She suggested hiring a recruitment firm because they tend to get better applicants. Lisa Davidson agreed with the idea of using a recruitment firm. Jorge Aguilar stated that this could be an option, but a concern would be the cost. In his experience in the private sector recruitment firms did not get paid unless a candidate was hired through their process. However, a percentage of the annual salary was the fee.

Kyle Minnis asked that the candidate pool be from California and be aware of the diversity and differences of Californian's. He explained that he would like to see someone that is knowledgeable of their needs throughout the state. Ted Martens would prefer the search to be nationwide, not just limited to California.

Lisa Davidson explained that the overall mission is to find the best candidates. If an Executive Director from outside California is selected, the individual should be capable of familiarizing themselves with California law.

Bill Moore asked if there was a budget for this process. Melissa Corral explained that when former Executive Director, Carol Risley, retired she had approximately 11 months of accrued leave. Therefore the Council will begin to see a salary savings for Executive Director position in August 2013. In 2010 approximately \$5,000 was spent on distributing the Executive Director job announcement to various websites/publications.

Robin Hansen stated that posting this vacancy for 6 weeks was too short. Ted Martens suggested posting for 8 weeks. If no qualified applications are received during those 8 weeks, then reopen for another 8 weeks. Robin Hansen suggested the Committee put, "Until Filled" for the position. Ted Martens suggested contacting other Executive Directors from other states asking how they advertise for their Executive Director position. He also suggested first posting the job announcement to the internet distribution list, then if no qualified candidate apply after the 8 weeks to then hire a recruitment firm.

Rita Stevens suggested reaching out to AIDD for technical assistance (ITACC) and also post the job announcement on NACDD's website.

Matthew Wangeman explained that he was on the hiring Committee for the NACDD Executive Director. The first 6 months of advertising resulted in very minimal applicants, but then they hired a recruitment firm and received a small pool of qualified candidate in just 4 weeks. He highly recommends starting with a recruitment firm for the best pool of applicants. Robin Hansen had the same experience as Matthew Wangeman.

Robin Hansen suggested consulting with a recruitment firm and having them handle the entire process. Jorge Aguilar stated the discussion appears to yield consensus on initiating the process for a recruiter based effort. All members of the Committee agreed.

Jorge Aguilar asked if a RFP is required if no fee was paid in advance. Melissa Corral stated that an RFP is required if a fee is over \$5,000.00. Jorge Aguilar asked if the Council can hire multiple recruiters or just one. This will need to be looked into, Jorge Aguilar will coordinate with AIDD Technical Assistance on this.

Ted Martens explained that if the Executive Committee does not approve who the Ad-Hoc Search Committee recommends, then the Executive Committee is to return to the Ad-Hoc Search Committee for new candidates. Jorge Aguilar stated that if that is the desired process then this committee should spell that out and get confirmation from the Executive Committee and the Council on the process.

Jorge Aguilar recommends that the Ad-Hoc Search Committee vet all candidates, prior to making recommendations to the Executive Committee. He stated that he had envisioned the Ad-Hoc Search Committee is responsible for initial screening, Executive Committee is secondary screening, and the full Council makes final decision.

Edits were made by the Ad-Hoc Search Committee to the Executive Director job announcement, the distribution list and the Executive Director checklist for Ad-Hoc Search Committee. Szandra Keszthelyi will make necessary edits and email track changes to Jorge Aguilar by early next week. Then the Ad-Hoc Search Committee will prioritize bullet points underneath the three job responsibilities (Positions the Council to carry out the CA State Plan and Conduct Strategic Planning for Systems Change and Advocacy, Administration and Personnel Management of a Statewide Multi-Office Organization, and Promotes Partnerships and Relationships.)

## **6. ADJOURNMENT**

Meeting was adjourned at 5:35 p.m.

Draft  
**Administrative Committee Meeting Minutes**  
**January 17, 2013**

**Attending Members**

David Forderer  
Kris Kent  
Molly Kennedy  
Ray Ceragioli

**Members Absent**

Max Duley

**Others Attending**

Dena Hernandez  
Mark Polit  
Roberta Newton  
Robin Maitino  
Vicki Smith  
Wayne Glusker

1. **Call to Order**

Molly Kennedy called the meeting to order at 2:05 p.m. and established a quorum present.

2. **Welcome and Introductions**

Members and others introduced themselves.

3. **Public Comments**

There were no public comments.

4. **Review and Next Steps in Personnel Investigation**

Following the Council meeting on January 16, 2013 where the Council moved to refer this matter to Council staff, the Committee discussed the future of the Administrative Manager position.

After a brief discussion, it was agreed that the Council needs to plan for the possibility that we may not have a Deputy Director for Administration appointed by the Governor until a permanent Executive Director is hired. Therefore, we are looking at options for covering administrative functions. Roberta is in talks with our Designated State Agency (DSA), the HHSA, to provide us with additional administrative support. Kris Kent confirmed that his agency will be working with the Council to suggest some options.

5. **Review and Next Steps in Fiscal Audit**

SCDD is awaiting the final report from the DHCS Audits and Investigations Unit regarding fiscal matters addressed in the August 2012 letter from the Department of Finance. Once the report is received, SCDD will provide the report to full Council, including the Administrative

Committee. The Committee will address recommendation made by the auditors.

In addition, Roberta Newton would also like an expanded fiscal review to include budget allocations and expenditure tracking processes.

There was extensive discussion about the need for training of both Council members and staff as to respective fiscal oversight responsibilities, based on both state and federal requirements. Kris committed to investigating and reporting back about training resources available from DGS or other state departments. Roberta will look into training options at the federal level, specifically from our technical assistance partner, the NACDD.

Ray emphasized that it is important for the Council to maintain a good working relationship with the AIDD.

Roberta has already sought out contracts training for the two SCDD Associate Governmental Program Analysts, herself, and Staff Counsel to help ensure proper processing of future Grants, Contracts, etc.

## 6. **Committee Priorities**

Based on the responsibilities cited in the Council's Bylaws, the Committee set the following priorities:

### **Budgets**

The Committee will ensure the budget is always tied to the State Plan and that input is received from all Committees. The Committee will also closely monitor expenditures to ensure no misuse of funds. There will be a budget update at each Council meeting.

### **Contracts**

The Committee will work closely with the Program Development Committee to ensure all monies being expended for Grants, etc. follow the priorities laid out in the State Plan and that proper oversight is given.

### **Other Administrative**

The Committee will also ensure that policies are developed and implemented for all other administrative functions.

7. **Future Committee Dates**

The next Committee meeting will be on February 21, 2013 from 1:30-3:30. Agenda items will include:

- Samples of historical budget reports to the Council, to assist Committee in determining what should be contained in future budget updates.
- Fiscal audit outcomes and recommendations
- Information on training for members and staff
- Provide examples of policies both draft and final

8. **Adjournment**

The meeting was adjourned at 3:30 p.m.

## **SUMMARY OF DHCS CONTRACTING & PROCUREMENT REVIEW**

The Department of Health Care Services (DHCS), Financial Audit Branch (FAB) conducted a limited review of the Council's contracting and procurement practices in November 2012. This is a summary of their findings and recommendations.

Finding #1 The previous Executive Director preferentially awarded contracts.

Finding #2 There was a lack of fiscal oversight, e.g., submitted invoices were deficient.

Finding #3 There are deficiencies in expenditure reporting and recordkeeping by Budget Officer.

Finding #4 SCDD did not follow DGS contract rules and lacks a procurement and contracting policy manual.

Finding #5 Staff did not know DGS, state and federal rules.

Finding #6 Contracts drafted lacked specific and measurable expectations

Finding #7 There is no staff functioning as Contract Manager to monitor progress of work.

Finding #8 Contracts must include justification per G.C 19130 (inability to use state employees)

Finding #9 There is currently no process to document Council approval of contracts

Finding #10 Fiscal intermediaries were used to handle area boards' self-advocacy funds which requires prior DOF approval.

## **RECOMMENDATIONS**

1) Staff need to know Conflict of Interest rules under state and federal law.

2a) Establish strong fiscal personnel.

2b) Establish internal control procedures for approval of contracts and invoices

2c) Establish written policy on travel reimbursement for contractors

3a) Develop ongoing reports that reconcile budget to actual expenditures, including contract category

3b) Have Council member(s) with fiscal background partner with SCDD fiscal staff

4a) Staff need to become familiar with and comply with DGS rules

4b) Develop Procurement and Contract manual



- 4c) Establish a manner in which to document contract approval process
- 5) Staff need to be trained in state and federal rules for contracting
- 6a) Contracts need to be written with more detail.
- 6b) Have staff counsel review all contracts prior to submission to DGS
- 7) Assign staff functions of contract manager to monitor progress and provide status reports to Council
- 8) Provide adequate justification for entering into personal services contracts in lieu of state employees
- 9a) A policy manual should detail staff duties, forms and authorizations
- 9b), Improve communication and an understanding of staff roles through training and establishment of a manual
- 10) Do not use fiscal intermediaries without DOF approval.

# **State Council on Developmental Disabilities**



**BY-LAWS**

## TABLE OF CONTENTS

Department Name and Definitions.....	4
State Council Responsibilities.....	4
State Council Principal Office.....	4
State Council Area of Service.....	4
State Council Membership .....	4
Appointment of Council Members.....	4
Term of Office for Council Members .....	5
Conflict of Interest .....	5
Vacancies on Council .....	5
Resignations of Council Members .....	6
Compensation and Expenses for Council Members .....	6
Parliamentary Authority/Rules.....	6
Council Meetings .....	7
Definition of Quorum .....	7
Voting Rights .....	7
Chairperson Pro Tem .....	7
Officers .....	7
Elections of Member Officers .....	8
Voting Procedure .....	8
Term of Office .....	8
Vacancies .....	8
Duties of Officers .....	8
Removal from Office (Members) .....	9

Executive Director .....	9
Appointment of Executive Director .....	9
Responsibilities and Duties of Executive Director.....	9
Removal from Appointment of Executive Director .....	10
Council Committees .....	10
Committee Authority .....	10
Standing Committees .....	11
Executive Committee .....	11
Strategic Planning Sub-Committee .....	13
Administrative Committee.....	13
Legislative and Public Policy Committee .....	13
Program Development Committee .....	14
Self-Advocates Advisory Committee.....	14
Employment First Committee.....	14
Nominating Committee .....	16
General Committee Information .....	16
Council General Provisions .....	16
Certification and Inspection Procedures .....	16
Records, Reports and Inspection .....	16
Amendments of By-Laws .....	17
Indemnification .....	17

# CALIFORNIA STATE COUNCIL ON DEVELOPMENTAL DISABILITIES

## BY-LAWS

(Revised – January 2013)

### **ARTICLE I. NAME & DEFINITIONS**

The name of this organization shall be the State Council on Developmental Disabilities.

### **ARTICLE II. RESPONSIBILITIES**

The responsibilities of the State Council on Developmental Disabilities are set forth in 42 United States Code Section 51001 et. seq. and Sections 4433.5 and 4520 et. seq. of the California Welfare and Institutions Code.

### **ARTICLE III. PRINCIPAL OFFICE**

The principal office of the Council shall be located in the County of Sacramento, California. The Council may change the principal office from one location to another within the county.

### **ARTICLE IV. AREA OF SERVICE**

The area of service shall be the State of California.

### **ARTICLE V. MEMBERSHIP**

Appointment to the Council requires each member to fully discharge his/her duties consistent with the responsibilities of representing persons with developmental disabilities. The membership of the Council shall consist of the categories of people in accordance with state and federal law.

#### **SECTION 1. Appointments:**

Pursuant to Division 4.5, Chapter 2, Article 1, Section 4521 (b)(1), (2), and (3) of the Welfare and Institutions Code, there shall be thirty-one (31) voting members on the Council appointed by the Governor, as follows:

- (a) Twenty (20) members of the Council shall be persons with a developmental disability (self-advocates) or parents, siblings, guardians or conservators (family-advocate) of these persons. In these By-laws these persons are referred to as self-advocates and family-advocates. Of the 20 members, thirteen (13) shall each be current members of the 13 Area Boards, one member from each board and representing consumers and families in their local catchment area; and, seven (7) shall be members at large that are comprised as follow: three (3) persons with developmental disabilities; one (1) person who is a parent, immediate relative, guardian, or conservator of a resident in a developmental center; one (1) person who is a parent, immediate relative, guardian, or conservator of a person with a developmental disability living in the community; one (1) person who is a parent, immediate relative, guardian, or conservator of a person with a developmental disability living in the community nominated by the Speaker of the Assembly; and, one (1) person with a developmental disabilities nominated by the Senate Committee on Rules.

- (b) Eleven (11) members of the Council shall include: directors or members, as appropriate, of State departments or agencies or of local agencies as prescribed in state and federal laws. These persons are referred to as agency representatives in these By-laws and shall include three (3) members appointed to represent the University Centers for Excellence (UCE) programs funded by the Administration on Developmental Disabilities as the three California UCEs.
- (c) Prior to appointing the thirty-one (31) members, the Governor shall request and consider recommendations from organizations representing or providing services, or both, to persons with developmental disabilities and shall take into account socioeconomic, ethnic, and geographic considerations of the state. The Council may, at the request of the Governor, coordinate Council and public input to the extent feasible to the Governor regarding recommendations for membership.

## **SECTION 2. Term of Office:**

The term of office on the State Council shall be in accordance with state law. The term of each self or family advocate member shall be for three years. In no event shall any self or family advocate member serve for more than a total of six years.

## **SECTION 3. Conflict of Interest:**

Pursuant to California Welfare and Institution Code Section 4525 the Council's approved Conflict of Interest Policy, is incorporated by reference into these By-laws.

## **SECTION 4. Vacancies:**

A vacancy on the Council exists if any of the following events occur before the expiration of the term:

- (a) The death of the member.
- (b) An adjudication pursuant to a legal proceeding declaring that the member is physically or mentally incapacitated due to disease, illness, accident, or other condition and there is reasonable cause to believe that the member will not be able to perform the duties of office for the remainder of his/her term.
- (c) The member's resignation.
- (d) The member's removal from office.
- (e) The member's ceasing to be a legal resident of the state or the area the member was appointed to represent.
- (f) The member's absence from the state without the permission required by law beyond the period allowed by law.
- (g) The member's ceasing to discharge the duties of his/her office for the period of three consecutive meetings, except when prevented by sickness, or when absent from the state with the permission required by law. After three (3) consecutive unexcused absences, a member shall be considered as having ceased to discharge the duties of Council membership. An unexcused absence is an absence of a member when previous notice of absence has not been given to the

Council Chair or Committee Chair and to the Executive Director by telephone, email, or mail.

- (h) The member's conviction of a felony or any offense involving a violation of his/her official duties. A member shall be deemed to have been convicted under this section when trial court judgment is entered.
- (i) The member's refusal or neglect to file his/her required oath, or declaration of conflict of interests within the time prescribed after being provided notice of non-compliance and a reasonable time to comply.
- (j) The decision of a competent tribunal declaring void the member's election or appointment.
- (k) The making of a vacating order or declaration of vacancy.
- (l) The member assumes a position or responsibility that violates the Council's conflict of interest policy.

The Governor shall be notified when a vacancy occurs and shall appoint a person to serve the unexpired term of the member being replaced.

#### **SECTION 5. Resignations:**

Members shall serve a designated term unless they resign, or are otherwise disqualified to serve, or until successors have been appointed, up to the maximum years allowed by State law. Any member may resign at any time by giving written notice to the Chairperson and to the Executive Director. Such resignation shall take effect on the date of receipt of such notice or any later time specified therein; and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

#### **SECTION 6. Compensation and Expenses:**

Self-advocate and family advocate members of the State Council shall receive honoraria pursuant to Government Code 11564.5, and Welfare and Institution Code Section 4550 not to exceed fifty (50) days in any fiscal year. All members shall be reimbursed for authorized actual and necessary expenses incurred in connection with the performance of their duties as Council members, in accordance with state regulations in the State Administrative Manual.

### **ARTICLE VI. MEETINGS**

#### **SECTION 1. Parliamentary Authority:**

- (a) All meetings of the Council and its committees are public meetings governed by the Bagley-Keene Open Meeting Act (Government Code Section 11120, et. seq.).
- (b) Robert's Rules of Order shall be utilized as the rules for all Council and committee meetings except in instances of conflict with these By-laws, or provisions of State or federal law or regulations. The Vice-Chairperson shall serve as Parliamentarian.

- (c) The Council may adopt, from time-to-time, such policies and rules for the conduct of its meetings and affairs as may be required.

#### **SECTION 2. Meetings:**

- (a) There shall be no less than six (6) and no more than twelve (12) meetings of the Council per year.
- (b) Special meetings of the Council may be called by the Chairperson or, in case of absence or inability to act by the Chairperson, by the Vice-Chairperson. In case of a refusal to act by the Chairperson, a special meeting may be called by written request of nine (9) members of the Council. Only matters specified in the written notice of the meeting shall be considered at such a meeting.
- (c) Regular or special meetings of the Council shall be held at a place, date, and time designated by the Council or selected by the Chairperson.

#### **SECTION 3. Quorum:**

- (a) A quorum for the Council shall be a simple majority of the statutory required membership.
- (b) A quorum for each Council committee and sub-committee shall be a simple majority of the appointed members of that committee.

#### **SECTION 4. Voting Rights of Members:**

- (a) Each member shall be entitled to one vote, to be exercised in person. Proxy voting shall not be permitted.
- (b) Except as otherwise specifically provided in State law or these By-laws, all matters submitted for determination shall be decided by a majority vote.

#### **SECTION 5. Chairperson Pro Tem:**

If neither the Chairperson nor Vice-Chairperson is present to preside at a Council meeting, a chairperson pro tem shall be elected by the majority vote of the Council members present.

### **ARTICLE VII. OFFICERS**

#### **SECTION 1. Officers:**

The officers of the Council shall be a chairperson and a vice - chairperson elected from among the self and family advocate members. These officers shall perform the duties described in these By-laws.

#### **SECTION 2. Election of Member Officers:**

Election of officers shall occur once every two years. The election shall be held during the last meeting of the appropriate calendar year. Only self and family advocate members shall be



eligible to hold office.

### **SECTION 3. Voting Procedure:**

Council officers shall be elected by a majority vote. Recommendations for officers shall be in the form of nominations from the Nominating Committee. Nominations may also be received from the floor prior to the election, but subsequent to the report of the Nominating Committee.

### **SECTION 4. Term of Office:**

The Chairperson and Vice-Chairperson shall be elected for a term of two years. Individuals may be elected to these positions for no more than two consecutive terms. Their term of office shall begin the first day of the new calendar year.

### **SECTION 5. Vacancies:**

If the Chairperson resigns or is permanently unable to serve during the term of office pursuant to Article V Section 4, the Vice-Chairperson shall become the Chairperson for the remainder of such term. Upon the vacancy of the Vice-Chairperson's term of office or if the Vice-Chairperson resigns or is permanently unable to serve during the term of office, the Chairperson shall appoint an interim Vice-Chairperson to serve until an election is conducted. The Chairperson shall also appoint a nominating committee of at least three (3) but not more than five (5) Council members that will provide a slate of nominations for the election of Vice-Chairperson during the next appropriate Council meeting.

The voting procedure established in Article VII, Section 3 shall be used for the election process of the permanent Vice-Chairperson.

### **SECTION 6. Duties of the Officers:**

- (a) Chairperson - The responsibilities of the Chairperson are: to preside at all meetings of the Council; to appoint chairpersons and members to all Council committees, except the Nominating Committees, to appoint Council representatives in relation to other agencies and consumer groups; and to represent the Council as needed. The Chairperson shall have full voting rights on all Council actions.
- (b) Vice-Chairperson - The responsibilities of the Vice-Chairperson are to perform all the duties of the Chairperson if the Chairperson is absent or if the Chairperson requests the Vice-Chairperson to do so. When acting in the capacity of the Chairperson, the Vice-Chairperson has the same authority as the Chairperson. The Vice-Chairperson also, serves as Chair of the Executive Committee and as Parliamentarian.

### **SECTION 7. Removal from Office:**

Action to remove an officer shall be in accordance with the following procedure:

- (a) Written notification must be submitted by registered mail to the Executive Director

from Council member(s) describing the specific cause for which removal is sought.

- (b) The Executive Director shall notify the officer charged by registered mail within two (2) working days of receiving the charges. Any member so notified shall have ten (10) days to respond to the group or individual responsible for notification. Following this ten (10) day period, the responsible parties shall notify the Executive Director within ten (10) days as to whether or not they wish to request removal of the officer. If the responsible parties are satisfied by the officer's response that no sufficient cause exists, the matter will be closed with written notice to the Executive Director and to the officer.
- (c) If the group or individual requesting removal is not satisfied by the response of the officer or if the officer fails to respond in ten (10) days, the Executive Director shall put the issue on the agenda at the beginning of the next Council meeting and inform the Council members as to the purpose of the agenda item.
- (d) Written charges shall be distributed and reviewed at the specified meeting of the Council.
- (e) A majority vote shall be required to remove a chairperson or vice-chairperson from office. If removal of the Chairperson is under consideration, the vice-chairperson shall preside.

## **ARTICLE VIII. EXECUTIVE DIRECTOR**

### **SECTION 1. Appointment:**

- (a) The Executive Director of the Council shall be appointed by and serve at the will of the Council in a position exempt from all civil service requirements pursuant to the California Constitution, Article 7, section 4(b) and Welfare and Institutions Code Section 4551(a)(2). The appointment of the Executive Director shall occur during a regular or special meeting of the Council.
- (b) A performance review of the Council Executive Director shall be coordinated by the Executive Committee and conducted annually by the full Council.

### **SECTION 2. Responsibilities and Duties:**

- (a) The Executive Director shall be the chief administrative officer of the Council and shall have all the authority and responsibility assigned to the director of a state agency including budget, personnel, and contractual transactions. These include authority for entering into and execution of agreements on behalf of the Council in order to implement the policies of the Council.
- (b) The Executive Director shall be under the direction and control of the Council and shall do and perform such other duties as may be assigned by the Council.

- (c) The Executive Director shall serve as clerk to the Council.

### **SECTION 3. Removal:**

- (a) Action to remove the Executive Director of the Council shall be conducted in accordance with Government Code Section 11120, et. seq.
- (b) The Executive Committee of the Council may recommend removal of the Executive Director during a regular or special meeting. This recommendation shall be taken to the Council during a regular or special meeting for discussion and action.
- (c) A majority vote, during a regular or special Council meeting, shall be required to remove the Executive Director from his or her exempt appointment.

## **ARTICLE IX. COMMITTEES**

### **SECTION 1. Authority:**

- (a) Subject to the provision of these By-laws, all committees, with the exception of the Executive Committee, shall be advisory and shall not have the power to bind the Council except when specifically authorized by the Council to do so. Recommendations made by advisory committees shall be presented to the Council for adoption in the form of a motion.
- (b) Subject to provision of these By-laws, a vacancy in the membership of a committee, except the Nominating Committee, may be filled by the Council Chairperson.
- (c) A committee may meet upon call of the chairperson of the committee or the Council Chairperson.
- (d) Unless otherwise specified in these By-laws, the Chairperson and the Executive Director of the Council shall serve ex officio, without vote, on all committees, except the Nominating Committee.
- (e) A committee member may be removed from the committee by the Council Chair after three (3) consecutive unexcused absences. An unexcused absence is an absence of a member when previous notice of absence has not been given to the Committee Chair or Executive Director or appropriate Deputy Director by telephone, e-mail or mail.

### **SECTION 2. Standing Committees:**

- (a) There shall be six (6) standing committees of the State Council:
  - (1) Executive
  - (2) Administrative

- (3) Legislative and Public Policy
  - (4) Program Development
  - (5) Self-Advocates Advisory
  - (6) Employment First
- (b) The chairperson and members of each of the standing committees shall be appointed by the Council chairperson. In the event of a vacancy for any reason in membership or the chair, a successor may be appointed by the Council Chairperson. In appointing standing committee chairpersons, the Council Chairperson may request volunteers from the Council's self and family advocate members. All committee chairperson appointments shall be announced to the Council at the next available Council meeting.
- (c) The membership of all standing committees, except the Executive Committee, shall be open to non-members of the Council. The expenses of non-Council members may be reimbursed on the same basis as a Council member with the exception of the honorarium.
- (d) All members of the Council shall be expected to serve on at least one standing committee of the Council.
- (e) The charge of each of these committees shall be as follows:
- (1) Executive Committee  
The Executive Committee shall serve as the coordinating body to the Council. The Committee shall:
    - [a] Consist of the Council Chairperson, Vice-Chairperson, chairperson of the Legislative and Public Policy Committee, chairperson of the Program Development Committee, chairperson of the Strategic Planning Subcommittee, chairperson of the Self-Advocates Advisory Committee, chairperson of the Employment First Committee and two (2) other Council members.
    - [b] Be chaired by the Council Vice-Chairperson.
    - [c] Act on behalf of the Council between meetings, but shall not modify any action taken by the Council unless authorized by the Council to do so. The full Council at the next regular or special meeting shall receive a report of all Executive Committee actions taken between Council meetings as necessary.
    - [d] Administrative matters shall be a standing agenda item at every meeting and shall include but not be limited to, budget reports, expenditure reports and other major administrative issues.

- [e] Make recommendations to the Council regarding approval of Community Program Development Grants (CPDG) projects to be funded, and allocations.
- [f] Appoint members of CPDG Grant Review team as needed.
- [g] Provide direction to the Executive Director regarding all matters pertaining to Council responsibilities.
- [h] Make recommendations to the Council regarding amendments to the By-laws, changes in committee structure or responsibilities.
- [i] Make recommendations to the Council regarding Council member training.
- [j] Make recommendations to the Council regarding the presentation of awards on behalf of the Council.
- [k] Make recommendations to the Council regarding matters assigned by the Council or the Council Chairperson.
- [l] Make recommendations to the Council regarding the appointment, evaluation, or removal of the Executive Director.
- [m] Monitor and evaluate California State Strategic Plan on Developmental Disabilities implementation and submit findings to the Council.
- [n] Review and make recommendations to the Council regarding area boards' requests to initiate litigation per Welfare and Institution Code Section 4548(g)(4) and (6).
- [o] Coordinate the Council's litigation activities, as needed, and make recommendations to the full Council.
- [p] Make appointments to and receive recommendations from the Strategic Planning Sub-Committee.
- [q] Present a slate of nominees to be elected to the Nominating Committee. Election to the Nominating Committee shall occur at the September Council meeting during election years.

#### 1. Strategic Planning Sub-Committee

The Subcommittee shall:

- (a) Advise the Executive Committee on the collection and reporting of information on needs, including unmet needs, priorities and emerging issues
- (b) Make recommendations to the Executive Committee regarding policy priorities for the California State Strategic Plan on Developmental Disabilities
- (c) Assist the Council in the implementation and reporting of the goals and objectives of the Council's California State Strategic Plan on Developmental Disabilities.
- (d) Coordinate planning implementation with the other Committees of the Council.

(2) Administrative Committee

The Administrative Committee shall assist with monitoring the administrative and budgetary activities of the Council. The Committee shall:

- [a] Be composed of at least three (3) Council Members
- [b] Make recommendations to the Council regarding allocation of discretionary fiscal resources and other budgetary issues.
- [c] Make recommendations to the Council regarding budgeting for anticipated fiscal resources among Council operations and specific service priorities for inclusion in the California State Strategic Plan and the Governor's budget.
- [d] Make recommendations to the Council regarding monitoring and evaluating administrative contracts and agreements.
- [e] Make recommendations to Council regarding all contracts and agreements.
- [f] Monitor and evaluate administrative contracts and agreements; and take actions authorized in all Council contracts and agreements.
- [g] Make recommendations to the Council regarding administrative matters and policies including organizational charts and structure.

(3) Legislative and Public Policy Committee

The Legislative and Public Policy Committee shall implement the California State Strategic Plan on Developmental Disabilities objectives as assigned by the Council. The Committee shall:

- [a] Be composed of at least seven (7) members.
- [b] Review, comment and recommend positions on significant proposed legislation and/or proposed regulations.
- [c] Recommend legislation consistent with Council's responsibilities and objectives.
- [d] Recommend initiatives and policies consistent with Council responsibilities and objectives.
- [e] Provide testimony and recommendations to the Legislature with regard to matters pertaining to people with developmental disabilities.
- [f] Respond to other responsibilities as assigned by the Council or Council Chairperson.

(4) Program Development Committee

The Program Development Committee shall advise the Council in the development of services and projects designed to improve the quality of life for individuals with developmental disabilities and their families

The Committee shall:

- [a] Be composed of at least seven (7) members.
- [b] Make recommendations to the Council regarding the Community Program Development Grant (CPDG) application process and suggested priorities/criteria for proposals.
- [c] Develop methods to market and implement successful CPDG projects throughout the State.
- [d] Carry out other responsibilities as assigned by the Council or the Council Chairperson.

(5) Self-Advocates Advisory Committee

The Self-Advocates Advisory Committee shall advise the Council as a voice for all Californians with disabilities, by promoting State Council participation and peer advocacy that advances independence and inclusion. regarding

~~self-advocacy issues involving the Council and the community.~~ The Committee shall:

- [a] Be composed of all self-advocate members of the Council.
- [b] Advise the Council regarding self-advocate needs related to serving the Council including manners in which to ensure participation and inclusion in all meetings.
- [c] Advise the Council regarding policies, programs and any other area affecting self advocates in California.
- [d] Review materials and other Council produced information to evaluate and make recommendations regarding plain language approaches.
- ~~[e] To have a standing representative to the Statewide Self-Advocacy Network (SSAN.)~~

(6) Employment First Committee

The Employment First Committee is responsible for ensuring the development of an Employment First Policy which has the intended outcome of significantly increasing the number of individuals with developmental disabilities who engage in integrated, competitive employment. The Committee shall:

- [a] Be composed of a representative from each of the following:
  - (1) The Department of Developmental Services
  - (2) The Department of Rehabilitation
  - (3) The California Department of Education
  - (4) One from each of the three University Centers of Excellence in California
  - (5) Disability Rights California
  - (6) Employment Development Department
  - (7) Family Resource Center Network
  - (8) Association of Regional Center Agencies
  - (9) Service Employees International Union
  - (10) The ARC
  - (11) Four self-advocates
  - (12) Four family advocates
  - (13) Such others as deemed needed to implement the responsibilities of the Council.
- [b] Identify the respective roles and responsibilities of state and local



agencies in enhancing integrated, competitive employment for people with developmental disabilities.

- [c] Identify strategies, best practices, and incentives for increasing integrated, competitive employment opportunities for people with developmental disabilities, including, but not limited to, ways to improve the transitional planning process for students 14 years of age or older, and to develop partnerships with, and increase participation by, public and private employers and job developers.
- [d] Identify existing sources of employment data and recommend goals for, and approaches to measuring progress in, increasing integrated, competitive employment for persons with developmental disabilities.
- [e] Recommend legislative, regulatory, and policy changes for increasing the number of individuals with developmental disabilities in integrated, competitive employment, self-employment, and microenterprises and who earn wages at or above minimum wage.
- [f] Provide an annual report to the Governor and Legislature by July 1 of each year that describes the work and recommendations of the Committee.

### **SECTION 3. Nominating Committee:**

The Nominating Committee shall provide advice to the Council relative to the bi-annual election of Council officers. The Committee shall:

- (a) Be composed of at least three (3) and not more than five (5) Council members.
- (b) Be elected by the Council at the September Council meeting from a slate of nominations presented by the Executive Committee.
- (c) Serve for one year. Be elected at least forty-five (45) days prior to the annual election.

### **SECTION 4. Committees, Sub-Committees and Ad-Hoc Committees and Task Forces:**

- (a) Committees, Sub-committees, Ad-Hoc committees and Task Forces may be established by the Council to carry out specified California State Strategic Plan on Developmental Disabilities objectives and purposes of the Council.
- (b) The term of office and, qualifications of these groups' chairpersons and members shall be established by the Council. The membership of Sub-Committees and Ad-Hoc committees shall be open to non-members of the Council and shall be appointed by the Chairperson of the Council. The expenses of non-Council

members may be reimbursed on the same basis as a Council member with the exception of the honorarium.

## **ARTICLE X. COUNCIL GENERAL PROVISIONS**

### **SECTION 1. Certification and Inspection:**

The original or a copy of the By-laws, as amended or otherwise altered to date, certified by the Council shall be recorded and kept in a book that shall be kept in a location in the principal office of the Council, and such book shall be open to public inspection at all times during office hours.

### **SECTION 2. Records, Reports and Inspection:**

- (a) The Council shall maintain adequate and correct accounts, books and records of all its business and properties.
- (b) Such records shall be kept at its principal place of business. All books and records shall be open to inspection by the Council and the general public, except those records or data regarding an employee, if such disclosure would constitute an unwarranted invasion of personal privacy, or records of the Council relating to its participation in a judicial proceeding.
- (c) An annual financial report and budgets shall be available for inspection at the Council's principal place of business.

## **ARTICLE XI. AMENDMENTS OF BY-LAWS**

Subject to the limitations of federal and state law, these By-laws shall be reviewed annually. The Executive Committee shall be responsible for the annual review of the By-laws, submitting recommendations for adoption of new By-laws and amendments or repeal of existing By-laws to the Council. These By-laws may be amended, repealed or adopted by a two – thirds majority during any regular or special meeting of the Council so long as a draft of the proposed action was submitted in writing to the Council at least ten (10) days prior to the meeting.

## **ARTICLE XII. INDEMNIFICATION**

### **SECTION 1. Definitions:**

For the purposes of this Article XII, "agent" means any person who is or was a director or member as appropriate, officer, employee, or other agent of the Council. Proceeding means any threatened, pending, or completed action or proceeding, whether civil, criminal, administrative, or investigative; and expenses include without limitation attorney's fees and any expenses of establishing a right to indemnification under Section 4 or 5(b) of this Article XII.

### **SECTION 2. Indemnification in Actions by Third Parties:**

The Council shall have power to indemnify any person who was or is a party or is threatened to be made a party to any proceeding (other than an action by or in the right of the Council to procure a judgment in its favor, by reason of the fact that such person is or was an agent of the Council, against expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred in connection with such proceeding if such person acted in good faith and in a manner such person reasonably believed to be in the best interests of the Council and, in the case of a criminal proceeding, has no reasonable cause to believe the conduct of such person was unlawful. The termination of any proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which the person reasonably believed to be in the best interests of the Council or that the person had reasonable cause to believe that the person's conduct was unlawful.

**SECTION 3. Indemnification in Actions by or in the Right of the Council:**

The Council shall have the power to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action by or in the right of the Council, to procure a judgment in its favor by reason of the fact that such person is or was an agent of the Council, against expenses actually and reasonably incurred by such person in connection with the defense or settlement of such action if such person acted in good faith, in a manner such person believed to be in the best interests of the Council, and with such care, including reasonable inquiry as an ordinarily prudent person in a like position would use under similar circumstances. No indemnification shall be made under this Section 3:

- (a) In respect of any claim, issue, or matter as to which such person shall have been adjudged to be liable to the Council in the performance of such person's duty to the Council, unless and only to the extent that the court in which such proceeding is or was pending shall determine upon application that, in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for the expenses which such court shall determine;
- (b) Of amounts paid in settling or otherwise disposing of a threatened or pending action, with or without court approval; or
- (c) Of expenses incurred in defending a threatened or pending action, which is settled or otherwise disposed of without court approval, unless it is settled with the approval of the Attorney General.

**SECTION 4. Indemnification Against Expenses:**

To the extent that an agent of the Council has been successful on the merits in defense of any proceeding referred to in Section 2 or 3 of this Article XII or in defense of any claim, issue, or matter therein, the agent shall be indemnified against expenses actually and reasonably incurred by the agent in connection therewith.

**SECTION 5. Required Determinations:**

Except as provided in Section 4 of this Article XII any indemnification under this Article XII shall

be made by the Council only if authorized in the specific case, upon a determination that indemnification of the agent is proper in the circumstances because the agent has met the applicable standard of conduct set forth in Section 2 or 3 of this Article XII, by:

- (a) A majority vote of a quorum consisting of directors or members as appropriate, who are not parties to such proceeding; or
- (b) The court in which such proceeding is or was pending upon application made by the Council or the agent or the attorney or other person rendering services in connection with the defense, whether or not such application by the agent, attorney, or other person is opposed by the Council.

**SECTION 6. Advance of Expenses:**

Expenses incurred in defending any proceeding may be advanced by the Council prior to the final disposition of such proceeding upon receipt of an undertaking by or on behalf of the agent to repay such amount unless it shall be determined ultimately that the agent is entitled to be indemnified as authorized in this Article XII.

**SECTION 7. Other Indemnification:**

No provision made by the Council to indemnify its or its subsidiary's directors or members as appropriate, or officers for the defense of any proceeding, whether contained in the Articles, Bylaws, a resolution directors or members as appropriate, or an agreement, or otherwise, shall be valid unless consistent with this Article XII. Nothing contained in this Article XII shall affect any right to indemnification to which persons other than such directors or members as appropriate, and officers may be entitled by contract or otherwise.

**SECTION 8. Forms of Indemnification Not Permitted:**

No indemnification or advance shall be made under this Article XII, except as provided in Section 4 or 5(b), in any circumstances where it appears:

- (a) That it would be inconsistent with a provision of the Articles, these By-laws, or an agreement in effect at the time of the accrual of the alleged cause of action asserted in the proceeding in which the expenses were incurred or other amounts were paid, which prohibits or otherwise limits indemnification; or
- (b) That it would be inconsistent with any condition expressly imposed by a court in approving a settlement.

## AGENDA ITEM DETAIL SHEET

**ISSUE:** UCLA/Orthopedic Hospital Center for Cerebral Palsy.

**BACKGROUND:** The UCLA/Orthopedic Hospital Center for Cerebral Palsy, in partnership with the Tarjan Center at UCLA, is hosting the Family Forum as part of the conference “Cerebral Palsy: Current Treatment Techniques”.

In years past, the Family Forum has drawn 75-85 attendees. Approximately half have been parents of young children with cerebral palsy, with the remaining half divided among adolescents and adults with cerebral palsy, their families or caretakers and other professionals; typically 10 to 15 children attend.

**ANALYSIS/DISCUSSION:** UCLA/Orthopedic Hospital Center for Cerebral Palsy is requesting a sponsorship of \$999.00 for the Family Forum, the event will be held on Saturday, April 20, 2013.

This one day conference has two parts. The morning professional program is a CEU-accredited educational seminar. The afternoon program, the Family Forum, is a free consumer event for children and adults with CP and their families. The purpose of the Family Forum is to allow people with cerebral palsy, their families and others who care for them to interact with each other and with professionals in the field of cerebral palsy. Speakers offer informal presentations on topics relevant to people with cerebral palsy and their families. The audience is encouraged to ask questions and share their experiences. Demonstrations of equipment are often brought in to provide participants with “hands on” experiences. This is the only event in southern California that provides a forum for patients and their families to obtain accurate information on programs addressing the medical, physical and social needs of people with cerebral palsy.

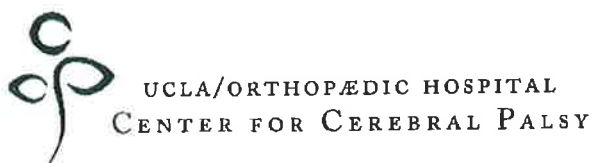
This year’s Family Forum will include information on programs in the area of education, employment and leisure.

**COUNCIL STRATEGIC PLAN OBJECTIVE:** Individuals with developmental disabilities have the information, skills, opportunities and support to advocate for their rights and services and to achieve self-determination, independence, productivity, integration and inclusion in all facets of community life.

**PRIOR COUNCIL ACTIVITY:** Since the beginning of FY 2012-13, the Council has awarded \$1,949.00 for sponsorship requests. The Council allocates \$25,000 per fiscal year for sponsorships. The fiscal year began July 1, 2012.

**RECOMMENDATION(S):** Award \$999.00 to UCLA/Orthopedic Hospital Center for Cerebral Palsy for individuals to participate in this program.

**ATTACHMENTS(S):** 1. Sponsorship request      2. Sponsorship budget page  
3. Letter of support



Administrative Office:

1000 Veteran Avenue  
22-64 Rehabilitation Center  
Los Angeles, CA 90095-1795  
Phone: (310) 825-5858  
Fax: (310) 825-5290

RECEIVED

JAN 21 2013

Clinic:

1250 16<sup>th</sup> Street, Suite 2100B  
Orthopaedic Institute  
Santa Monica, CA 90404  
Phone: (310) 395-4814  
Fax: (424) 259-6577

January 17, 2013

California State Council on Developmental Disabilities  
1507 21<sup>st</sup> Street  
Suite 210  
Sacramento, CA 95811

RE: Agency Sponsorship

To Whom it May Concern,

This letter is a request for Council sponsorship in the amount of \$999 for a consumer educational program entitled "Family Forum". The UCLA/Orthopaedic Hospital Center for Cerebral Palsy, in partnership with the Tarjan Center at UCLA, is hosting the Family Forum as part of our conference "Cerebral Palsy: Current Treatment Techniques". The conference will be held on Saturday, April 20, 2013 at the Santa Monica/UCLA Medical Center at 1250 16<sup>th</sup> Street, Santa Monica, California. Included in this request is a copy of the day's program, a proposed budget and letter of support from Ronald Cohen, PhD, President and Chief Executive Officer of United Cerebral Palsy of Greater Los Angeles, Ventura and Santa Barbara counties.

#### Description of Event

This one day conference has two parts. The morning professional program is a CEU-accredited educational seminar. The afternoon program, the Family Forum, is a free consumer event for children and adults with CP and their families. The purpose of the Family Forum is to allow people with cerebral palsy, their families and others who care for them to interact with each other and with professionals in the field of cerebral palsy. Speakers offer informal presentations on topics relevant to people with cerebral palsy and their families. The audience is encouraged to ask questions and share their experiences. Demonstrations of equipment are often brought in to provide the participants with "hands on" experiences. This is the only event in southern California that provides a forum for patients and their families to obtain accurate information on programs addressing the medical, physical and social needs of people with cerebral palsy.

#### Target Audience, Method of Outreach and Expected Attendees

The target audience for the morning session is health care professionals treating adults or children with cerebral palsy. Brochures are mailed to physical therapists, occupational therapists, pediatricians, neurologists and nurse practitioners in the field. It is also appropriate for school nurses, social workers, case managers and teachers. Institutional e-mail blasts are sent to all persons in the department of pediatrics, rehabilitation, neurology and pediatric

orthopedic surgery. As a Center that offers lifespan care, the target audience for the Family Forum is children and adults with cerebral palsy, their families and caretakers. Attendees from the professional session, as well as others interested in cerebral palsy (teachers, nurses) are invited to join.

Flyers for the Family Forum are mailed to all past and present patients of the UCLA/Orthopaedic Hospital Center for Cerebral Palsy (over 2,000). Copies are mailed and emailed for distribution to surrounding California Regional Centers, United Cerebral Palsy offices and California Children's Services Medical Therapy Units. Information is posted on our website ([www.uclaccp.org](http://www.uclaccp.org)) and flyers are mailed or emailed to the over 300 people on our consumer mailing list.

In years past, the Family Forum has drawn 75-85 adult and adult attendees. Approximately half have been parents of young children with cerebral palsy, with the remaining half divided among adolescents and adults with cerebral palsy, their families or caretakers and other professionals (teachers, nurses, therapists and those who attended the morning session). Children with cerebral palsy and siblings are welcome. A free arts and crafts program is offered to younger children so their parents may attend the information sessions unfettered. Typically 10 to 15 children attend.

#### Impact on Consumers

This year's Family Forum will include information on programs in the area of education, employment and leisure. With the support of CPRIF (Cerebral Palsy Research International Foundation) and in collaboration with Institute for Creative Technologies at the University of Southern California, we are developing software to allow people with severe movement disorders to utilize currently available technology (Microsoft Kinect) to play computer games. Dr. Peter Chung, a developmental pediatrician with whom I have been working on this project, will present our work and provide information as to how people can use this technology now, as well as our plans for the future. We will have a prototype device available for participants to try. We are also pleased to have Dr. Olivia Raynor, Director of the Tarjan Center at UCLA, present on "Raising Expectations for Higher Education, Independence and Employment". Dr. Raynor will discuss UCLA's Pathway program, a two-year, certificated educational program for young adults with developmental disabilities. She will also discuss other programs here at UCLA and within California that offer support and guidance for employment and educational opportunities for adults with developmental disabilities. The availability of such programs not only offers choice to young adults with cerebral palsy; it offers hope to the parents of young children with cerebral palsy that their child has the potential to become an independent, productive member of society.

#### Budget and Previous Funding Sources

The UCLA/Orthopaedic Hospital Center for Cerebral Palsy has put on this conference, formally called the Margaret Jones Conference on Cerebral Palsy, since 1997. As the only such educational event in California, the State Department of Developmental Services supported the conference beginning in 2002. In the face of budget constraints, the State withdrew its funding during preparation for our 2009 conference. In response to urgent appeals, we received a one-time donation from a private donor to help cover our expenses. In 2010, neither the donor nor



the state of California supported us; however we were received funding from the Allergan Foundation. Lack of funding from any of our previous sources forced us to cancel the conference in 2011 and 2012.

In response to requests from professionals and consumers, we have decided to bring the conference back, despite our limited funds. While previous conferences were presented in conjunction with the UCLA Office of Continuing Medical Education, their efforts were costly. We have decided to take on all aspects of the conference planning and execution. We have obtained approval from the Physical Therapy Board of California to offer continuing education units to physical therapists. Our staff will prepare all written material for both the professional course and the Family Forum, conduct outreach to all consumers and consumer organizations, process all registrations and provide on-site meeting management. We will also be responsible for all printing, mail preparation and postage costs. The registration fee for the professional event is the only assured income we have to cover these costs.

While we plan on submitting grant requests to private funding agencies (Allergan, Medtronic) their support cannot be assured. Even if funding is obtained from these organizations, the amount received is unlikely to cover our costs. It is for this reason that we seek Sponsorship funds to help support our efforts.

As the only inter-disciplinary lifespan clinic in the nation, the UCLA/Orthopaedic Hospital Center for Cerebral Palsy is in a unique position to provide information that promotes self-advocacy and education for people with cerebral palsy. I sincerely hope the Council will grant our request for sponsorship and support the Family Forum conference. If you have any questions regarding the Center or this conference, please do not hesitate to contact me at (310) 825-4028.

Sincerely,

A handwritten signature in cursive script, appearing to read "Eileen Fowler".

Eileen Fowler PhD, PT  
Peter William Shapiro Chair for the Center for Cerebral Palsy and  
Director of Research and Education  
Professor, UCLA Department of Orthopaedic Surgery  
Tarjan Center at UCLA

enc



January 17, 2013

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Ronald S. Cohen, Ph.D.

Eileen Fowler, Ph.D.  
Director, Education and Research  
UCLA/Orthopaedic Hospital Center for Cerebral Palsy  
Faculty, Tarjan Center at UCLA  
22-70 Rehabilitation Center, 1000 Veteran Avenue  
Los Angeles, CA 90095-1795

Dear Dr. Fowler:

United Cerebral Palsy of Los Angeles, Ventura and Santa Barbara Counties (UCP) is pleased to support your application to the California State Council on Developmental Disabilities for sponsorship of the Cerebral Palsy Family Forum to be held at UCLA-Santa Monica on Saturday, April 20, 2013. UCLA/Orthopaedic Hospital Center for Cerebral Palsy and the Tarjan Center at UCLA have a long history of promoting education and self-advocacy for individuals with cerebral palsy, their families and caretakers.

This year's program focuses on important and relevant information. Medical updates will inform attendees about new research and treatments for people with cerebral palsy. Additional topics include "Raising Expectations", a discussion of new initiatives for higher education, independence and employment led by faculty and individuals with cerebral palsy. Parents and young people will be encouraged to aim high for the future. A session on gaming technology will focus on low cost innovations that allow individuals with severe movement disorders to use gaming technology for enjoyment and physical activity. This project, funded by Cerebral Palsy International Research Foundation, aims to facilitate accessibility for people who cannot operate keyboards. Participants with CP, who are part of the development team, will demonstrate its use.

In summary, this conference will provide high quality education for the community of children and adults with cerebral palsy that we serve.

Sincerely,

Ronald S. Cohen, Ph.D.  
President and Chief Executive Officer

## Margaret Jones Conference Schedule

April 20, 2013

8:00 – 8:15	Registration and Breakfast
8:15 – 8:45	Update of Issues Regarding CP in the News – Bill's Buzz <i>William L. Oppenheim, MD</i>
8:45 – 9:30	The evaluation and treatment of drooling in children with cerebral palsy <i>Alisha West, MD</i>
9:30– 10:15	Bone health in children and adults with cerebral palsy <i>Susan Bukata, MD and Eileen Fowler PhD, PT</i>
10:15 – 10:30	Break
10:30 – 11:00	Tools to evaluate movement disorders in patients with cerebral palsy <i>Marcia Greenberg MS, PT, Loretta Staudt, PT, MS</i>
11:00 – 11:30	Is your patient a candidate for deep brain stimulation (DBS)? <i>Nader Pouratian, MD PhD</i>
11:30 – 12:30	Clinical decision making – case studies <i>Faculty</i>
12:30 – 1:30	Lunch (on your own)

### Family Forum

1:30 – 1:45	Welcome – William Oppenheim, MD
1:45 – 3:00	Gaming Technology for People with Cerebral Palsy and a Severe Movement Disorder - Peter Chung, MD and Eileen Fowler PhD, PT
3:00 – 3:15	Break
3:15 – 4:15	Raising Expectation for Higher Education, Independence and Employment – <i>Olivia Raynor, PhD</i>
4:15 – 4:30	Questions/Discussion
4:30 – 5:00	<i>Reception</i>

Projected Budget for Margaret Jones Conference on Cerebral Palsy - April 20, 2013

INCOME:

Professional Registration Fees: (55 x 115)	\$	6,325.00
15 students and residents at no charge	\$	-

TOTAL INCOME	\$	6,325.00
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EXPENSES:

Professional Conference

Brochure Printing	\$	2,000.00	
Mailing lists	\$	500.00	
Brochure Mailing (postage)	\$	3,000.00	
Mail House	\$	1,000.00	
Syllabus Printing	\$	1,250.00	
Honoraria	\$	200.00	
Credit Card Fees	\$	250.00	
	\$		8,200.00

Family Forum

Flyer printing	\$	350.00	
Flyer mailing (postage)	\$	2,000.00	
	\$		2,350.00

Program Management & Development Costs

Content Development	\$	6,000.00	
Audience Generation and Activity Marketing	\$	2,500.00	
Program Coordinator	\$	7,000.00	
On-site Meeting Management	\$	1,500.00	
Outcomes Analysis	\$	1,500.00	\$ 18,500.00

Audio Visual (all day)	\$	2,500.00	
Food service (all day)	\$	1,000.00	
	\$		3,500.00

TOTAL EXPENSES	\$	32,550.00
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Net	\$	(26,225.00)
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